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## Accounting Resource Center Manual

American Institute of Certified Public Accountants.Small Business Development Committee

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Small Business Development Committee

ARC

# Accounting Resource Center Manual

American Institute of  
Certified Public Accountants

ARC Accounting Resource Center Manual

ACCOUNTING RESOURCE CENTER  
MANUAL

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
SMALL BUSINESS DEVELOPMENT COMMITTEE  
1211 AVENUE OF THE AMERICAS  
NEW YORK, N.Y. 10036



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# ACCOUNTING RESOURCE CENTER MANUAL

## I. INTRODUCTION

### A. PURPOSE OF MANUAL

This manual is prompted by the ethical consideration that every profession must concern itself with the needs of the society in which it functions. Satisfying this social obligation rewards the profession with trust and respect from the public and enhances the self-esteem and integrity of its members. These intangibles, in time, become the source of practical benefits to individuals, the profession, and society at large.

The AICPA Code of Professional Ethics articulates this principle for the accounting profession:

In light of the importance of their function, CPAs and their firms should have a keen consciousness of the public interest and the needs of the society. Thus, they should support efforts to achieve equality of opportunity for all, regardless of race, religious background or sex, and should contribute to this goal by their own service relationships and employment practices

ET Section 56.01

The contributions of the profession should be based on a true desire to provide assistance to those in need. Efforts motivated solely by public relations considerations are short-lived and rarely convincing.

Sincere professional contributions, however, are generally viewed favorably by the public and can result in measurable benefits. Such positive recognition by the public is essential to the growth and prosperity of the profession.

Traditionally, the accounting profession's public service efforts have been on two levels: individual CPAs have served governments, community groups and charitable organizations as volunteers, and groups of CPAs have organized and sponsored programs of assistance to taxpayers, to municipal, state and Federal departments and to disadvantaged businesses.

This manual has been prepared to help CPAs render volunteer public services to those unable to pay for such services. It seeks to foster participation by CPAs in activities which will benefit their communities, themselves and their profession. It shows how to establish, develop and maintain a center for free accounting services for those in need.

A loose-leaf, three-ring format has been used to accommodate future developments. In addition, supplemental assistance is available from private and government organizations including AICPA, Accountants for the Public Interest (API), Small Business Administration (SBA) and Office of Minority Business Enterprise (OMBE).

Users of this manual should feel free to select sections and procedures appropriate for their communities. Modification and adjustments are encouraged since ARCs should be responsive to local needs. Successful innovations may later be incorporated into the manual for use in other localities.

## B. CPAS AND PUBLIC SERVICE

CPAs' participation in public service activities has always been wide-spread. The profession has long recognized the value of contributing to social and charitable programs. More recently, state society committees and AICPA have provided assistance to developing and minority businesses. Presently, committees exist in more than twenty states offering accounting assistance and management advice to needy individuals and organizations.

In addition, accounting aid centers have been established in six major cities (see Exhibit I.2, p. 9). These centers developed out of the need to offer continuous and visible public service activities which could not be effectively rendered under a committee structure. The experiences of the accounting aid centers have been valuable in developing this manual. Accounting resource centers would offer services similar to those of accounting aid centers wherever the former have not been established and where the need for them has been identified.

Accountants for the Public Interest (API) is another recent response to the need for volunteer accounting services. Since 1972, when the first API was established in San Francisco, a number of affiliated organizations have begun to offer accounting assistance to the public. Typical cases accepted by API affiliates have been a cost study of a city's method of caring for neglected children, a design of a model system for candidates to comply with campaign spending controls and the analysis of the effect on property taxes of a proposal to reserve land for public space.

## C. ARC SERVICES

The ARCs provide an opportunity for CPAs to render volunteer accounting services to their community in an organized and systematic manner.

Basically, there are four types of services being offered by groups of volunteer CPAs:

1. internal accounting aid to businesses and individuals;
2. internal accounting aid to non-profit and public organizations;
3. taxpayer assistance programs;
4. API-type programs offering accounting expertise to help resolve issues of public interest.

Focusing on items 1 and 2, the goals of ARCs are to make the services of the certified public accountant available to the segments of society that need them but cannot purchase or are unaware of them.

ARCs would also direct the attention of business professionals to resolution of significant community problems. The centers would bring together CPAs, students, business persons and community residents in a productive environment where co-operation would create recognizable benefits for all.

The objectives of ARCs are to assist, advise and educate potential beneficiaries, not to compete with CPAs or other professionals. Attention should be focused on individuals and organizations who would be able to participate independently in the free enterprise system if only they were given the opportunity and the needed assistance.

Recipients of ARC services would be persons and organizations initially unable to purchase professional accounting services in the market place and who would have demonstrated the ability to eventually become self-reliant. Once a client becomes established, it is understood that he would develop the customary relationships with private practitioners.

The manual is a result of efforts by the AICPA's Small Business Development Committee whose Accounting Resource Center Task Force determined its format and content. Members of the task force are:

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Gratefully acknowledged is the valuable assistance provided by API National, Community Tax Aid, Inc. and the six accounting aid centers.

Special thanks are due to A. William Sabatino of Community Accountants, whose procedures manual was particularly helpful, and to Sherry Seijo of AICPA, who typed and assembled the manual.

Thomas S. Watson, Jr., CPA, Chairman  
Small Business Development Committee



Commonly Used Abbreviations and Acronyms

ACE	Active Corps of Executives	ECM	Emergency Conservation Measures
ACG	Address Coding Guide	EEOC	Equal Employment Opportunity Commission
ACP	Agricultural Conservation Program	EIDL	Economic Injury Disaster Loans
ACV	ACTION Cooperative Volunteer Program	EMI	Exchange of Medical Information
ADAP	Airport Development Aid Program	EMS	Emergency Medical Services
ADP	Automatic Data Processing	EMS	Export Marketing Service
A/E	Architectural/Engineering	EO	Executive Order
AFDC	Aid to Families with Dependent Children	EOC	Emergency Operating Centers
AIC	Apprenticeship Information Center	EOL	Economic Opportunity Loans
AID	Agency for International Development	EPA	Environmental Protection Agency
AMS	Agricultural Marketing Service	EPDA	Education Professions Development Act
AOP	Apprenticeship Outreach Program	ERDA	Energy Research and Development Administration
APC	Air Pollution Control	ERS	Economic Research Service
APHIS	Animal and Plant Health Inspection Service	ES	Employment Service
APTD	Aid to the Permanently and Totally Disabled	ESA	Employment Standards Administration
ARBA	American Revolution Bicentennial Administration	ESEA	Elementary and Secondary Education Act
ARC	Appalachian Regional Commission	FAA	Federal Aviation Administration
ARS	Agricultural Research Service	FAIR	Fair Access to Insurance Requirements
ASCS	Agricultural Stabilization and Conservation Service	FAPRS	Federal Assistance Program Retrieval System
ASEE	American Society for Engineering Education	FAS	Foreign Agricultural Service
ASPR	Armed Services Procurement Regulation	FBI	Federal Bureau of Investigation
ASTI	Applied Statistics Training Institute	FCC	Federal Communications Commission
AVTE	Adult, Vocational, and Technical Education	FCRC	Four Corners Regional Commission
BAVTE	Bureau of Adult, Vocational, and Technical Education	FCS	Farmer Cooperative Service
BEH	Bureau of Education for the Handicapped	FDA	Food and Drug Administration
BEPD	Bureau of Educational Personnel Development	FDAA	Federal Disaster Assistance Administration
BIA	Bureau of Indian Affairs	FEA	Federal Energy Administration
BLM	Bureau of Land Management	FHA	Federal Housing Administration
BLS	Bureau of Labor Statistics	FmHA	Farmers Home Administration
BOR	Bureau of Outdoor Recreation	FHWA	Federal Highway Administration
CAB	Civil Aeronautics Board	FIA	Federal Insurance Administration
CCI	Course Content Improvement	FIP	Forestry Incentives Program
CCSS	Cooperative College-School Service	FMC	Federal Management Circular
CDA	City Demonstration Agency	FMC	Federal Maritime Commission
CDS	Construction Differential Subsidies	FMCS	Federal Mediation and Conciliation Service
CETA	Comprehensive Employment and Training Act	FNMA	Federal National Mortgage Association ("Fannie Mae")
CFDA	Catalog of Federal Domestic Assistance	FNS	Food and Nutrition Service
CFTC	Commodity Futures Trading Commission	FPA	Federal Property Assistance
CFN	Community Food and Nutrition	FPMS	Flood Plain Management Services
CFR	Code of Federal Regulations	FR	Federal Register
CMHC	Community Mental Health Centers	FR	Funding Request
CHP	Comprehensive Health Planning	FRA	Federal Railroad Administration
CHS	Community Health Service	FSS	Federal Supply Service
CLEO	Council on Legal Education Opportunity	FTC	Federal Trade Commission
CPA	Certified Public Accountant	FY	Fiscal Year
CPI	Consumer Price Index	GAO	General Accounting Office
CPRC	Coastal Plains Regional Commission	GARP	Global Atmospheric Research Program
CRS	Community Relations Service	GFA	General Forestry Assistance
CSA	Community Services Administration	GNP	Gross National Product
CSC	Civil Service Commission	GPO	Government Printing Office
CSRS	Cooperative State Research Service	GSA	General Services Administration
DBL	Displaced Business Loans	HAL	Handicapped Assistance Loans
DCPA	Defense Civil Preparedness Agency	HEW	Department of Health, Education, and Welfare
DEA	Drug Enforcement Administration	HG	Housing Guaranty
DIBA	Domestic and International Business Administration	HIP	Hospital Improvement
DIME	Dual Independent Map Encoding	HIST	Hospital In-Service Training
DOD	Department of Defense	HMO	Health Maintenance Organization
DOT	Department of Transportation	HPSL	Health Professions Student Loans
DSA	Defense Supply Agency	HSA	Health Systems Agencies



HSGT	High Speed Ground Transportation	NLRB	National Labor Relations Board
HUD	Department of Housing and Urban Development	NMFS	National Marine Fisheries Service
HURA	Health Underserved Rural Areas	NOAA	National Oceanic and Atmospheric Administration
ICC	Interstate Commerce Commission	NPS	National Park Service
IDOE	International Decade of Ocean Exploration	NRC	Nuclear Regulatory Commission
INS	Immigration and Naturalization Service	NRDLS	National Rural Development Leaders School
IPA	Intergovernmental Personnel Act	NRSA	National Research Service Awards
IREX	International Research and Exchange Board	NSF	National Science Foundation
IRS	Internal Revenue Service	NSRDS	National Standard Reference Data System
JSIP	Job Service Improvement Program	NSVP	National Student Volunteer Program
LDD	Local Development District	NSYSP	National Summer Youth Sports Program
LEA	Local Educational Agency	NTIS	National Technical Information Service
LEAA	Law Enforcement Assistance Administration	NWS	National Weather Service
LEAP	Laboratory Evaluation and Accreditation Program	OAA	Older Americans Act
LEEP	Law Enforcement Education Program	OAWP	Office of Air and Water Programs
LMSA	Labor-Management Services Administration	OBD	Office of Business Development
MA	Maritime Administration	OC	Office of Child Development
MARC	Minority Access to Research Careers	ODS	Operating Differential Subsidy
MBOC	Minority Business Opportunity Committee	OE	Office of Education
MCA	Model Cities Administration	OEDP	Overall Economic Development Program
MCH	Maternal and Child Health	OEMA	Office of Educational and Manpower Assistance
MDTA	Manpower Development and Training Act	OFCCP	Office of Federal Contract Compliance Programs
MEDLARS	Medical Literature Analysis and Retrieval Systems	OHD	Office of Human Development
MESA	Mining Enforcement and Safety Administration	OHI	Office for Handicapped Individuals
MVP	Minority Vendors Program	OJT	On-the-Job Training
MESBIC	Minority Enterprise Small Business Investment Company	OLEP	Office of Law Enforcement Programs
NAB	National Alliance of Businessmen	OMB	Office of Management and Budget
NADIS	National Aerometric Data Information System	OMBE	Office of Minority Business Enterprise
NARA	Narcotic Addict Rehabilitation Act	OME	Office of Minerals Exploration
NASA	National Aeronautics and Space Administration	OPIC	Overseas Private Investment Corporation
NATO	North Atlantic Treaty Organization	ORAU	Oak Ridge Associated Universities
NBS	National Bureau of Standards	ORC	Ozarks Regional Commission
NCAA	National Collegiate Athletic Association	OSH	Occupational Safety and Health
NCHSRD	National Center for Health Services Research and Development	OWHM	Office of Water and Hazardous Materials
NCIC	National Crime Information Center	OWRC	Old West Regional Commission
NCJISS	National Criminal Justice Information and Statistics Service	OWRT	Office of Water Research and Technology
NCSCBS	National Conference of States on Building Codes and Standards	PACE	Projects to Advance Creativity in Education
NCUA	National Credit Union Administration	PCPFS	President's Council on Physical Fitness and Sports
NDEA	National Defense Education Act	PDL	Product Disaster Loans
NDSL	National Defense Student Loan	PGP	Planning Grant Program
NEA	National Education Association	PHA	Public Housing Authority
NEA	National Endowment for the Arts	PHS	Public Health Service
NEDS	National Emission Data Systems	PNRC	Pacific Northwest Regional Commission
NEH	National Endowment for the Humanities	PPBS	Planning-Programming-Budgeting System
NEI	National Eye Institute	PRB	Program Review Board
NEPA	National Environmental Policy Act	PUR	Program of University Research
NERC	New England Regional Commission	PWEDA	Public Works and Economic Development Act
NESA	National Environmental Study Areas	RANN	Research Applied to National Needs
NFPCA	National Fire Prevention and Control Administration	RCDA	Research Career Development Awards
NHTSA	National Highway Traffic Safety Administration	R&D	Research and Development
NIAID	National Institute of Allergy and Infectious Diseases	RD&D	Research Development and Demonstration
NIDR	National Institute of Dental Research	RDS	Rural Development Service
NIE	National Institute of Education	REA	Rural Electrification Administration
NIEHS	National Institute of Environmental Health Sciences	RFP	Request for Proposals
NIGMS	National Institute of General Medical Services	RHD	Rural Housing Disaster
NIH	National Institutes of Health	RMA	Research and Marketing Act
NIMH	National Institute of Mental Health	RMA	Regional Manpower Administration
NINDS	National Institute of Neurological Diseases and Stroke	RMP	Regional Medical Program
NLM	National Library of Medicine	RMS	Rural Manpower Service
		RRB	Railroad Retirement Board
		RRRR	Rail Revitalization and Regulatory Reform
		RSA	Rehabilitation Services Administration
		RSVP	Retired Senior Volunteer Program
		SAROAD	Storage and Retrieval of Aerometric Data
		SBA	Small Business Administration

SBIC	Small Business Investment Company
SCIRA	State Central Information Reception Agency
SCMR	Secretary's Committee on Mental Retardation
SCORE	Service Corps of Retired Executives
SCS	Soil Conservation Service
SEC	Securities and Exchange Commission
SEOG	Supplementary Educational Opportunity Grants
SEP	Student Expense Program
SF	Standard Form
SIDS	Sudden Infant Death Syndrome
SOS	Senior Opportunities and Services
SSI	Supplementary Security Income
SSIE	Smithsonian Science Information Exchange
SITES	Smithsonian Institution Traveling Exhibition Service
SLCD	Surplus Land for Community Development
SMC	Soil and Moisture Conservation
SMSA	Standard Metropolitan Statistical Area
SPU	School Personnel Utilization
SRM	Standard Reference Materials
SRS	Social and Rehabilitation Service
SRS	Statistical Reporting Service
SSA	Social Security Administration
STORET	Storage and Retrieval System
STRI	Smithsonian Tropical Research Institute
SYRP	Summer Youth Recreation Program
TAA	Trade Adjustment Assistance
TC	Treasury Circular
TEAM	Training in Expanded Auxiliary Management
TIA	Teacher Investigator Awards
TTC	Transportation Test Center
TU	Technology Utilization
TVA	Tennessee Valley Authority
UGLRC	Upper Great Lakes Regional Commission
UMTA	Urban Mass Transportation Administration
URT	University Research and Training
USC	United States Code
USCG	United States Coast Guard
USDA	United States Department of Agriculture
USTES	United States Training and Employment Service
USTS	United States Travel Service
UYA	University Year for Action
VA	Veterans Administration
VER	Veterans Employment Representatives
VES	Veterans Employment Services
VISTA	Volunteers in Service to America
VRA	Vocational Rehabilitation Act
WIC	Women, Infants and Children Programs
WIN	Work Incentives Program
WPC	Water Pollution Control
WPI	Wholesale Price Index
WQO	Water Quality Office
WRC	Water Resources Council
WRSIC	Water Resources Scientific Information Center
YCP	Youth Challenge Program
YOC	Youth Opportunity Center



ACCOUNTING AID CENTERS  
1978 List\*

Name/Address

Executive Director

Connecticut

Community Accounting Aid & Services, Inc.  
1229 Albany Avenue  
Hartford, Connecticut 06112  
203/249-6211

Isadore L. Sherman

Michigan

Accounting Aid Society of Metropolitan Detroit  
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A. William Sabatino

\*The Colorado Technical Assistance Center was being established in Denver at the time of printing.



## ACCOUNTANTS FOR THE PUBLIC INTEREST

### Editorial

One of the common concerns of members of new or prospective local public interest accounting organizations is invariably "How do we find cases?" Part of the answer rests in the decision to undertake one's own studies, which was treated at length in the editorial in the previous issue. Those cases can best be identified in the process of being alive—and aware of the multiplicity of controversies that are of concern to one's community.

The process of finding "client organizations" which are involved in issues containing accounting or financial elements is a bit more complex. The first step might well be the compilation of a list of such potential "clients" by reference to the local bar association, the telephone book and the daily newspaper. Public interest law groups, legal services organizations, environmental groups and consumer organizations should all be likely prospects along with community groups which form around specific issues.

Other recommended contacts are the colleges and universities in your community. Many law schools sponsor legal clinics or other groups which are involved in law reform and/or public interest law activities. Still others are the locations of Public Interest Research Groups (PIRGs) which might need accounting assistance on some of their projects.

### HOW DO WE FIND CASES?

Newsletter, Vol. 3, No. 4

A general mailer could be sent to these organizations informing them of the existence of a pro bono accounting group which has been formed to participate in the examination and ventilation of the financial information related to public issues and controversies. These letters should then be followed up with telephone calls—or better yet, personal visits by staff or board members to explain the scope and limitations of the services offered. Such personal contacts must be maintained on an organized and continuing basis because of the rapid turnover in personnel of the potential "client" groups.

Announcements in the media are another way of getting the word around concerning the existence of the organization and the availability of its services. Be prepared for a significant number of inquiries and requests which are outside the scope of your program—no matter how carefully the announcement is prepared.

No garden will be productive of anything besides weeds if the ground is not cleared, if you haven't decided what you would like to harvest, if the seeds are not planted, and if the crop is not cultivated.

The natural reluctance of a professional to solicit business openly must be surmounted if an active program is to be developed. We must be aggressive in seeking out opportunities to serve our community. There is no ethical or moral prohibition against promoting pro bono services. The assumption that the formation and existence of an organization will generate substantial activity is just not valid. No one will break down our doors in a mad rush to seek our services—if they can't find the doors.



## ACCOUNTANTS FOR THE PUBLIC INTEREST

### Editorial

The debate which has been raging within NAAPI's Board of Directors for the past year and one half concerning the precise wording of our "purpose statement" is perhaps symptomatic of the larger confusion beyond the board room. As we approach the fifth anniversary of the founding of the first API in San Francisco in April of 1972, it would seem appropriate to atek a fresh look at some of the questions raised.

What are our goals and objectives? How do they relate to our program? What is it that has motivated participation of several hundred professional accountants around the country to volunteer time out of their busy schedules? Our comments will be limited to the "issues" component of the programs conducted by our affiliated organizations, since there is little confusion about the other program components.

Our original individual motivation was quite simple—we felt we ought to be doing more to help our troubled communities. This feeling was accompanied by the realization that our professional talents and services were sorely needed. That was the conceptual framework which has attracted the support of increasing numbers of our colleagues.

### OUR GOALS AND OBJECTIVES

Vol. 4 No. 2 — Mar/Apr 1977

The problems inherent in direct service programs such as internal assistance to non-profit organizations, tax assistance to the indigent, and minority business assistance programs, led us to seek methods that promise substantially greater impact for our efforts, and greater personal satisfaction. These problems included the relatively low level of work required, the time of year in which the services were necessary (particularly for the tax assistance program) and the limitations inherent in any program which has neither paid staff nor funding.

The initially perceived need was to serve other non-profit organizations as "clients" which were involved in issues which affected large groups of previously unrepresented persons. We quickly found that there were limitations and problems in this approach as well. We had to wait to be asked by the client to undertake a particular project. Potential clients frequently were unaware of what a professional accountant could do. We were sometimes brushed with the taint of their advocacy. And, on a more selfish level, there was little visibility for our efforts and even less credit for our accomplishments.

Over the past year or so we have witnessed a gradual awakening and refocusing process. It has been recognized that the "clients" have been the vehicle to introduce us to a problem or issue. We have not been truly representing our clients but rather the clients of our clients—i.e., the general public.

Our five-year track record should speak volumes to those who are willing to listen. We have ground no axes; we have maintained our independence in cases where we have had clients as well as those in which we have not; and we have maintained our objectivity in several dozen projects involving a myriad of issues. The light we have shed on these issues is as real as it is difficult to measure. We can be proud that we are serving our society—professionally, responsibly and effectively.





**U. S. DEPARTMENT OF COMMERCE  
Office of Minority Business Enterprise**

Established by Executive Order 11458 on March 5, 1969, and subsequently expanded by Executive Order 11625 of October 13, 1971, as the Federal coordinator and information clearinghouse for minority-owned businesses, OMBE administers the national minority business enterprise program through six Regional and 12 Field Offices, and through its nationwide network of business assistance organizations receiving its contracts or grants.

The OMBE-funded organizations are arranged according to the category of program services they primarily provide: BUSINESS DEVELOPMENT CENTERS (BDC) provide all of the services of a CCAC, BRC, and LBDO (defined below) at a single location; BUSINESS MANAGEMENT DEVELOPMENT (BMD) organizations conduct business management development programs and provide education and training to existing and potential minority entrepreneurs; BUSINESS RESOURCE CENTERS (BRC) identify and mobilize private-sector resources, including volunteer services, and make them available to minority entrepreneurs; CITY OMBEs (CO) mobilize and coordinate city resources to assist the development of minority-owned businesses; CONSTRUCTION CONTRACTOR ASSISTANCE CENTERS (CCAC) provide management and technical assistance to, and monitor the operations of, minority contractors to enable them to acquire bonding, financing, and other resources needed to compete effectively; CONTRACTED SUPPORT SERVICES (CSS) provide management and technical assistance to other OMBE-funded business assistance organizations, special projects fostering development of minority-owned businesses, and qualified minority-owned businesses whose needs cannot be served by other organizations in the minority business enterprise program; EXPERIMENT AND DEMONSTRATION (E&D) projects examine the feasibility of new program approaches or methods for developing minority-owned businesses; LOCAL BUSINESS DEVELOPMENT ORGANIZATIONS (LBDO) provide management and technical assistance to new or existing minority firms, assist with capital acquisition, accounting and other business assistance services; MINORITY BUSINESS AND TRADE ASSOCIATIONS (MB&TA) provide cooperative services to enhance the competitive positions of their members; NATIONAL BUSINESS DEVELOPMENT ORGANIZATIONS (NBDO) provide, through their local chapters or affiliates, management and technical assistance to new or existing minority firms, assist with capital acquisition, accounting and other business assistance services; PRIVATE RESOURCE PROGRAMS (PRP) stimulate business opportunities and provide management and technical assistance through national professional and trade organizations; STATE OMBEs (SO) mobilize and coordinate State resources to assist the development of minority-owned businesses.

**A. Business Development Organizations**

Most BDOs are OMBE-funded, minority business-oriented management consulting firms, which render management and technical assistance. They perform the "retail" casework in the minority enterprise effort. They find the business opportunities and entrepreneurs and they work with public and private agencies like OMBE, MBOCs, State OMBEs, and the Business Resource Centers (BRCs) described below. BDOs evaluate business situations, develop business plans and packages for new businesses and expansions, find sources of financing, direct clients to procurement opportunities and management training and provide technical assistance. In some communities, there are BDO-type organizations which receive support from sources other than OMBE (e.g., Model Cities, OEO, private foundations).

**B. Construction Contractors Assistance Centers**

These organizations provide management and technical assistance and monitor the operations of minority construction contractors. They assist contractors to acquire bonding, financing, and other resources needed to compete effectively. They are similar to BDOs, but limit their clientele to construction contractors.

With a board of directors and staff oriented to the construction industry, CCACs work closely with the local offices of Federal agencies engaged in construction activity, such as NASA, DOD, GSA, HUD, DOT, VA, SBA and EPA. In addition to state or municipal agencies that regulate construction activities, CCACs maintain close relationships with surety companies, insurance companies, commercial banks, and others whose approval and support are important to every successful construction contractor (and often difficult to obtain for the minority contractor).

The staff of a CCAC provides assistance in all phases of business peculiar to the construction industry, including planning and estimating, bidding, bonding, record-keeping, labor and job and training and legal aspects of joint ventures and subcontracting. A CCAC also develops and provides up-to-date information on contract opportunities.

CCACs usually assist only actively operating contractors. Aspiring contractors are handled by BDOs during their period of formation.

C. Consultant Services Program

This program utilizes OMBE-funded business-oriented management consultants to provide management services and technical assistance, on an intense and highly specialized basis, to established minority businesses with annual gross receipts in excess of \$150,000, or an extremely high growth potential.

D. Business Resource Centers

BRCs are funded by OMBE and sponsored by local prominent business leaders to mobilize, coordinate, and deploy the resources of established businesses in support of minority business development. In the promotion of investment, BRCs assure that equity capital is available by supporting the creation of Minority Enterprise Small Business Investment Companies (MESBICs—described below). They also stimulate venture capital by maintaining contact with commercial banks and encouraging formal minority lending programs, and by establishing contact with industrial finance companies, mortgage brokers, investment bankers, bonding companies, and other sources of capital or credit.

In its marketing promotion, BRCs seek greater sales opportunities through corporate commitments to buy goods and services from minority vendors. BRCs therefore support the development of commercial centers and industrial sites. At the request of sponsors, such as BDOs, BRCs provide information on such business opportunities as dealerships, franchises, new business situations, transfers, spinoffs, and joint venture. BRCs maintain a staff of full-time professional management consultants to answer requests for management services and technical assistance.

E. Minority Enterprise Small Business Investment Companies

MESBICs are private investment corporations that specialize in providing long-term capital and management assistance to minority businesses. Licensed by SBA, MESBICs have the advantage of being able to provide substantial financial leverage through SBA and bank loans. The ability of MESBICs to furnish seed capital and managerial assistance can often mean the difference between success and failure for a minority firm.

F. State Office of Minority Business Enterprise (State OMBEs)

A State Office of Minority Business Enterprise is an agency of the State government, funded by OMBE, charged with the mobilization and coordination of resources of State programs and the State administrative structure for the development of minority business within the State.

A major concern of the State OMBE is the development of procurement opportunities for minority entrepreneurs from State agencies and departments. Encouraging the use of State educational systems to provide minority business education and training is yet another program which State OMBEs have successfully pursued.

**S B A**

**What it is...  
What it does**

The Small Business Administration is a permanent, independent government Agency created by Congress in 1953 to encourage, assist and protect the interests of small businesses.

Congress has directed SBA to take the lead in identifying and analyzing small business problems, to be the voice and advocate of small business, to foster and coordinate research and organization of significant data and to initiate ideas and innovations that will widen opportunities for small business to get started and compete on an equitable basis.

The Agency strives to carry out this mandate by insuring that small business concerns receive a fair proportion of government purchases, contracts and subcontracts, as well as of the sales of government property; making loans to small business concerns, State and local development companies, and victims of floods or other catastrophies; licensing, regulating and lending to small business investment companies; improving the management skills of small business owners, potential owners and managers; and conducting studies of the economic environment.

**PROGRAMS**

Financial Assistance  
Development Company Loans  
Disaster Loans  
Lease Guarantee Program  
Surety Bond Program  
Minority Enterprise Program  
Small Business Investment Companies (SBICs)  
Procurement Assistance  
Management Assistance  
Advisory Council Program



**SBA FIELD OFFICE ADDRESSES**

Boston	Massachusetts 02114, 150 Causeway Street
Holyoke	Massachusetts 01040, 302 High Street
Augusta	Maine 04330, 40 Western Avenue, Room 512
Concord	New Hampshire 03301, 55 Pleasant Street
Hartford	Connecticut 06103, One Financial Plaza
Montpelier	Vermont 05602, 87 State Street, P. O. Box 605
Providence	Rhode Island 02903, 57 Eddy Street
New York	New York 10007, 26 Federal Plaza, Room 3214
Albany	New York 12207, Twin Towers Building, Room 922
Elmira	New York 14904, 180 State Street, Room 412
Hato Rey	Puerto Rico 00918, Federal Office Building, Carlos Chardon Avenue
Newark	New Jersey 07102, 970 Broad Street, Room 1635
Camden	New Jersey 08104, East David Street
Syracuse	New York 13202, 100 South Clinton Street, Room 1073
Buffalo	New York 14202, 111 West Huron Street
St. Thomas	Virgin Islands 00801, Franklin Building
Philadelphia	Bala Cynwyd, Pennsylvania 19004, One Bala Cynwyd Plaza
Harrisburg	Pennsylvania 17108, 1500 North Second Street
Wilkes-Barre	Pennsylvania 18702, 20 North Pennsylvania Avenue
Baltimore	Towson, Maryland 21204, 7800 York Road
Wilmington	Delaware 19801, 844 King Street
Clarksburg	West Virginia 26301, 109 North Third Street
Charleston	West Virginia 25301, Charleston National Plaza, Suite 628
Pittsburgh	Pennsylvania 15222, 1000 Liberty Avenue
Richmond	Virginia 23240, 400 North Eighth Street, Room 3015
Washington	D. C. 20417, 1030 15th Street, N.W., Suite 250
Atlanta	Georgia 30309, 1720 Peachtree Road, N.W., Suite 600
Biloxi	Mississippi 39530, 111 Fred Haise Boulevard
Birmingham	Alabama 35205, 908 South 20th Street
Charlotte	North Carolina 28202, 230 South Tryon Street, Suite 700
Greenville	North Carolina 27834, 215 South Evans Street
Columbia	South Carolina 29201, 1801 Assembly Street
Coral Gables	Florida 33134, 2222 Ponce de Leon Boulevard
Jackson	Mississippi 39201, 200 East Pascagoula Street
Jacksonville	Florida 32202, 400 West Bay Street
West Palm Beach	Florida 33402, 701 Clematis Street
Tampa	Florida 33607, 1802 North Trask Street, Suite 203
Louisville	Kentucky 40202, 600 Federal Place, Room 188
Nashville	Tennessee 37219, 404 James Robertson Parkway, Suite 1012
Knoxville	Tennessee 37902, 502 South Gay Street, Room 307
Memphis	Tennessee 38103, 167 North Main Street
Chicago	Illinois 60604, 219 South Dearborn Street
Springfield	Illinois 62701, One North Old State Capitol Plaza
Cleveland	Ohio 44199, 1240 East Ninth Street, Room 317
Columbus	Ohio 43215, 85 Marconi Boulevard
Cincinnati	Ohio 45202, 550 Main Street, Room 5524
Detroit	Michigan 48226, 477 Michigan Avenue
Marquette	Michigan 49885, 540 West Kaye Avenue
Indianapolis	Indiana 46204, 575 North Pennsylvania Street
Madison	Wisconsin 53703, 122 West Washington Avenue, Room 713
Milwaukee	Wisconsin 53233, 735 West Wisconsin Avenue
Eau Claire	Wisconsin 54701, 500 South Barstow Street, Room B9AA
Minneapolis	Minnesota 55402, 12 South Sixth Street

Dallas	Texas 75202, 1100 Commerce Street
Albuquerque	New Mexico 87110, 5000 Marble Avenue, N.E.
Houston	Texas 77002, One Allen Center, Suite 705
Little Rock	Arkansas 72201, 611 Gaines Street, P. O. Box 1401
Lubbock	Texas 79401, 1205 Texas Avenue
El Paso	Texas 79902, 4100 Rio Bravo, Suite 300
Lower Rio Grande Valley	Harlingen, Texas 78550, 222 East Van Buren, Suite 500
Corpus Christi	Texas 78408, 3105 Leopard Street, P. O. Box 9253
Marshall	Texas 75670, 100 South Washington Street, Room G12
New Orleans	Louisiana 70113, 1001 Howard Avenue
Shreveport	Louisiana 71163, 500 Fannin Street
Oklahoma City	Oklahoma 73102, 200 N.W. Fifth Street
San Antonio	Texas 78206, 727 East Durango, Room A-513
Kansas City	Missouri 64106, 1150 Grand Avenue
Des Moines	Iowa 50309, 210 Walnut Street
Omaha	Nebraska 68102, Nineteenth and Farnam Streets
St. Louis	Missouri 63101, Mercantile Tower, Suite 2500
Wichita	Kansas 67202, 110 East Waterman Street
Denver	Colorado 80202, 721 19th Street, Room 407
Casper	Wyoming 82601, 100 East B Street, Room 4001
Fargo	North Dakota 58102, 653 Second Avenue, North, Room 218
Helena	Montana 59601, 613 Helena Avenue, P. O. Box 1690
Salt Lake City	Utah 84138, 125 South State Street, Room 2237
Rapid City	South Dakota 57701, 515 Ninth Street
Sioux Falls	South Dakota 57102, Eighth and Main Avenue
San Francisco	California 94105, 211 Main Street
Fresno	California 93721, 1229 N Street
Sacramento	California 95825, 2800 Cottage Way
Honolulu	Hawaii 96813, 1149 Bethel Street, Room 402
Agana	Guam 96910, Ada Plaza Center Building, P. O. Box 927
Los Angeles	California 90071, 350 South Figueroa Street
Las Vegas	Nevada 89101, 301 East Stewart
Reno	Nevada 89504, 300 Booth Street
Phoenix	Arizona 85004, 112 North Central Avenue
San Diego	California 92188, 880 Front Street
Seattle	Washington 98174, 915 Second Avenue
Anchorage	Alaska 99501, 1016 West Sixth Avenue, Suite 200
Fairbanks	Alaska 99701, 501½ Second Avenue
Boise	Idaho 83701, 216 North Eighth Street, P. O. Box 2618
Portland	Oregon 97204, 1220 South West Third Avenue
Spokane	Washington 99120, Courthouse Building, Room 651, P. O. Box 2167





## II. SERVICES

### A. SUMMARY

ARCs should be able to provide a broad range of accounting and advisory services, including tax and financial management assistance. Typical clients will be small businesses, non-profit organizations and individuals. Within these categories of services and clients, a variety of programs may be developed to suit the needs of a particular community.

The following services are listed and described only as examples of what a center may wish to offer. Much planning is necessary to define the actual product, market and standards of the ARC.

1. educational materials, courses and training programs;
2. direct technical assistance, including accounting, tax and management advice;
3. referrals to CPAs;
4. general accounting information to the public.

### B. EDUCATION AND TRAINING

A significant portion of the center's efforts should be dedicated to education and training of its clients, particularly members of boards of directors, executive officers and proprietors. A variety of courses, workshops and educational materials should be developed to complement the direct technical assistance provided. Clients receiving technical services should be encouraged to broaden their understanding of accounting in general. It would not be sufficient to solve a particular problem without indicating to the client how to avoid or solve similar problems in the future.

Short courses, such as the eight-week presentation of the Businessman's Information Guide, published by AICPA (see Exhibit II.1, p. 23), have been used effectively by state societies and accounting aid centers. One-day workshops on specific topics are also valuable.

Educational activities may be coordinated with state society committees or with public service organizations. Universities, colleges and business schools may welcome the opportunity to cosponsor seminars, courses or other programs of instruction.

### C. DIRECT TECHNICAL ASSISTANCE

In most communities, the need for volunteer accounting services of a technical nature is great. Many organizations offering assistance to small businesses and non-profit clients are unable to provide "nuts and bolts" information without the direct participation of volunteer CPAs. Working with such organizations, ARCs could help satisfy this need.

Educational courses and training programs may be of considerable long-term benefit, but only direct technical assistance offers immediate returns. A number of the ARCs' clients may be seeking assistance as a matter of economic survival. The services rendered by the ARC to them may often mean the difference between success and failure of the business.

D. REFERRALS

In addition to being unfamiliar with the services offered by accountants, some businesses and non-profit organizations do not know the procedure for engaging the services of a CPA. The ARCs can provide valuable assistance to clients able to pay for services but reluctant to approach a private firm.

Referrals would be a natural extension of providing free services temporarily. Once a client is able to pay, it would be expected that the center would assist him in finding permanent professional services.

Legal and ethical considerations require that volunteers act cautiously in accepting referrals from the ARC. All fee-paid relationships between ARC applicants and CPA volunteers should be disclosed to the board of directors of the ARC. The referral system itself should provide lists of available firms (including volunteers), however it should not recommend the services of any particular CPA firm. The prospective client should have a minimum of three firms from which to choose a CPA. In no event should the ARC make the final selection.

E. INFORMATION TO THE PUBLIC

In most communities, there is a need to inform the public about accountants and accounting. Some business leaders and public service officials do not understand the nature of the accounting process. A visible center offering free accounting information can do much to enlighten the public about the profession.

Information may be distributed by newsletters, brochures, telephone or public lectures.

**COURSE BASED ON AICPA'S  
BUSINESSMAN'S INFORMATION GUIDE**

**BUSINESSMAN'S INFORMATION GUIDE**

The Businessman's Information Guide (BIG) is a manual designed primarily to help disadvantaged persons who are in the process of setting up their own small business. It provides help in the planning stage and in setting up adequate records and control procedures.

An Instructors Manual is available for use when a formal course is to be offered.

**ORGANIZING CLASSES**

It is contemplated that the instructors will be Certified Public Accountants volunteering their services under the auspices of their CPA Society. For the most effective results, they should be asked to perform only the teaching function and a co-sponsoring organization should be responsible for all administrative activities. Such an organization may well have experience in providing counseling (formal or informal) to small businessmen, have access to facilities as well as to prospective students. Local Chambers of Commerce, the Small Business Administration, various lending institutions and local schools are among the types of organizations well suited for the co-sponsor role. This would include such things as obtaining meeting places, publicizing the course, enrolling students and handling correspondence.

**CONDUCTING THE COURSE**

The basic text is the material in the Businessman's Information Guide. It should be amplified or supplemented where desirable by the instructor's own experience and related to the types of business members of the class operate. The material has been divided into eight lectures, each of which should take approximately two hours:

<u>Lecture</u>	<u>Subject</u>	<u>BIG Section</u>
One	Starting a Business	1 – pages 1-11
Two	Starting a Business (Continued)	1 – pages 12-19
Three	Business Records	2 – pages 21-50
Four	Business Records (Continued)	2 – pages 51-75
Five	Chart of Accounts and Business Statements	3 and 4
Six	Business Taxes	5
Seven	Using Outside Help	6
Eight	Business Words and General Review	7

It is highly desirable that the entire course be conducted by one instructor. When it becomes necessary for more than one person to share in the presentation, a successor instructor should at least attend the class preceding his own in order to retain some continuity of the material being covered and if possible have some exposure to the class as the next instructor. Class participation should, of course, be encouraged.

For information on ordering BIG and the Instructors Manual, as well as on member, educational and quantity discounts, please write the AICPA Order Department, 1211 Avenue of the Americas, New York, New York 10036.



## COMMUNITY ACCOUNTANTS (PHILADELPHIA, PA)

### SERVICES RENDERED BY COMMUNITY ACCOUNTANTS

#### Typical Services, Profit Making and Non-Profit Clients

Typical services that might be performed for disadvantaged businesses or non-profit organizations are:

Answering questions about financial and tax matters.

Advising on record-keeping.

Establishing bookkeeping, cost and other accounting systems, and instructing on the use of the systems.

Advising on financial requirements for proposed business or non-profit programs.

Assisting in preparation of budgets, forecasts, unaudited financial statements.

Assisting in preparing bid proposals.

Assisting in obtaining financial information pertinent to loan proposals and providing data for credit grantors.

Coordinating referrals to and assistance from other professionals and agencies.

#### Services for Public Issue Clients

Typical services that might be performed for a public issue client are:

Analyzing financial statements furnished by the management of a publicly-funded housing project to explain to a tenants group the rationale behind a projected rent increase; and to suggest areas that might be questionable in reference to a rent increase.

Explaining to a parent's group the intricacies of a school district's budget.

Explaining the records of a hospital to help a community organization determine whether adequate low-cost health care is provided to the community as required by the Federal Hill-Burton Act.

Analyzing the possible tax effects on a local government's acquisition of "open space" for recreational purposes, versus allowing commercial development of that space.

Explaining to candidates for public office the accounting records required for compliance with campaign laws.

Analyzing financial documents pertinent to a projected public utility rate increase, on behalf of consumer organizations. Such assistance could include testifying before a court on various alternative methods of projecting future demands, population patterns, etc.

#### Ancillary Services

In addition to direct accounting services, Community Accountants provides services in the form of lectures, workshops, conference speakers, training sessions, taxpayers assistance, referrals to accounting firms or to other social services agencies.

For qualifying clients, the nature of such services and their rendering are determined by Community Accountants' Executive Director in those cases where either the Community Accountants' staff in the normal course of its functioning or one volunteer working alone can perform the service.

For those qualifying requests which require either exceptional commitment of staff time or more than one volunteer, the Community Accountants' Board of Directors must approve the request under the category "Special Project" before the services can be rendered...and further, one member of the Community Accountants' Board must volunteer as the Special Project coordinator or Board Liaison Person.

#### Cost of Services

No fees are charged or accepted for Community Accountants' services.

However, any direct out-of-pocket expenses incurred by the volunteer at the client's request are expected to be reimbursed by the client.

#### The Audit Exception

Community Accountants never performs the audit function.

In those cases where a qualifying client requires an audit, Community Accountants refers the client to at least three CPA firms.

These firms have indicated a willingness to perform audits for clients unable to pay a full or any fee, by volunteering directly through Community Accountants or through the Pennsylvania Institute of Certified Public Accountants.

## WORKSHOP SERIES FOR NON-PROFIT, COMMUNITY ORGANIZATIONS

Title: Accounting for Your Funds Before You Lose Them

Sponsor: The Philadelphia Savings Fund Society (PSFS)/Community Accountants

Facilities: Drexel University, College of Business and Administration

### Session One: PREPARING YOUR BUDGET: WITHOUT IT, YOU HAVE NO ORGANIZATIONAL PLAN

What is your plan for the coming year? Have you spelled it out in dollars and cents?

What do you need to spend to accomplish your objectives?

What can you afford?

What income can you reasonably expect to receive?

How much shall you spend on which items?

Are you controlling where your organization is going or is it out of your control?

What managerial controls have you installed to assure that you are following the budget and that expenditures are always in line with where you want them to be?

### Session Two: ACCOUNT FOR YOUR FUNDS BEFORE YOU LOSE THEM

Do you keep records of the money you take in and the money you pay out?

How good are your records? Are they adequate? Are they professional? Are they up to the minimum accepted standards?

If a Foundation was considering a grant to your organization and the Foundation asked to look at your financial bookkeeping system, would you be able to show it to the Foundation without jeopardizing your grant possibilities?

Do you keep adequate payroll records? Do you use (or, know how to use) a standard payroll journal?

What about payroll deductions?!?!?!?

Do you know what financial records the federal government requires of you?

What about the State Government?

Are you keeping a Cash Receipts Journal? A Cash Disbursements Journal? A General Ledger?

Can you balance your checking account?

### Session Three: ACCOUNTING IS A SKILL: PRACTICE MAKES PERFECT

Exercises or nitty-gritty practice-sessions in bookkeeping (Journals and Ledgers), in running trial balance, in balancing checking account, and related items.

**Session Four: MANAGING YOUR ORGANIZATION INCLUDES MANAGING YOUR MONEY**

Are you preparing monthly financial statements? Quarterly? Semi-Annual? Annual?

Do you report regularly to your Board on the financial position of your organization?

Can you be proud of the way you control and report on your finances?

Do you always have a handle on your cash flow?

Do you use your bookkeeping and accounting and reporting as a way of making decisions?

Is the tail wagging the dog?

Are your financial reports clear, understandable, meaningful?

**Session Five: FORMS, FORMS, FORMS: COMPLYING WITH BUREAUCRATIC REGULATIONS**

What's a 1023?

What's a 990?

Are you filing your 990 each year, on time? Do you know how?

What about the Penna CCO? – are you registered? Are you filing?

What are all the financial reporting requirements you must comply with in the course of a year?

**Session Six: YOU AND YOUR ACCOUNTANT: A CHANCE TO ASK A LOT OF QUESTIONS**

A round-robin discussion in which participants will be free to raise a variety of topics (in advance), which topics, in turn will be addressed by the accountants. Also an opportunity for small, one-on-one sessions designed to give personal advice/attention to your particular accounting questions.

Particular mention will be made of a “hot” issue you ought to be aware of; “Cash vs. Accrual Accounting: New Rules Governing Non-Profit Organizations.”





Storefront  
Accountant  

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Tax Clinic

*This brochure gives information about CTA to potential volunteers—CPAs, lawyers and students.*

Since 1970, hundreds of Community Tax Aid (CTA) volunteers have prepared 48,000 free tax returns for nearly 18,000 low-income New Yorkers. We are an independent, self-governing program. Contributions from CPA firms and individual CPAs have covered most of our \$3,000 yearly expenses. CPAs and staff accountants, lawyers and law students, industry and government accountants, and accounting students, are all part of our all-volunteer, unpaid staff.

### Our Clients

Most of the people we help are the "working poor" or are retired. We help them in their language: English, Spanish or Chinese. We never charge a fee — even for representing a client at the IRS. Eligibility for our service is based on family size and income: individuals can earn up to \$7,000 and families up to \$11,000.

We are a not-for-profit, tax-exempt corporation under the law, but we do not consider the people we help as objects of charity. They've worked hard for their meager income and are confused by the tax forms and instructions by which they must compute their tax.

Each year, changes in tax laws and forms just add to the confusion. IRS offices are not the answer — too many among the poor are afraid of government offices. Nor are commercial preparers the answer — any fee is a tax on tax, and then there are the unscrupulous and incompetent preparers who prey on ignorance.

### Our Offices

Volunteers work in storefronts — the use of which is donated by community groups — in many low-income neighborhoods of New York City. Storefronts are open on weekday evenings and on weekends.

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*Responsibility is not a negative concept. It means more than simply avoidance of anti-social behavior. It suggests an active contribution to the welfare of society.*

John L. Carey  
in *The CPA Plans for the Future*

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### Our Awards

Several AICPA divisions and the New York State Society of CPAs have praised our work. IRS Commissioner Donald C. Alexander appointed a CTA director to his 1975 and 1976 advisory groups. Mayor Abraham D. Beame awarded a certificate to CTA as one of the twelve outstanding volunteer groups and individuals in New York City in 1975. And, another CTA director was awarded one of only 60 national citations for outstanding volunteer service in 1974. House and Senate subcommittees invited CTA volunteers to testify at several hearings on the commercial tax return preparation industry and IRS taxpayer service.

You

We, and the taxpayers, need your help – *as little as two hours a week* for only eight weeks. Of course you're busy, but if you set aside the time, your commitment will go a long way. And don't get the idea that all the work we do is simple. Much of it is complex and challenging.

All volunteers, particularly professionals, gain a strong sense of personal satisfaction that comes from helping people who need their special skills. Professionals are also the key to a responsible program – helping student volunteers and managing storefronts.

If you're a student of law or accounting you'll have an opportunity to meet professionals in your field and gain practical tax experience. You'll learn to interview, prepare tax returns (including forms you didn't know existed) and recognize complex situations. To help you meet these challenges, an experienced CTA manager heads each storefront team and will supervise and review all work.

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*. . . a characteristic (perhaps surprising to us) of the American poor is passivity. Most of them have been poor so long and have such a feeling of hopelessness about the enterprise of life that it is not in character for them to be aggressive, to assert claims, or to find ways to solve their problems within the framework of society's laws.*

Monrad G. Paulsen  
in "The Expanding Horizons of Legal Services"

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**COLLEGE RECRUITING ASSISTANCE PROGRAM**

**BASIC EDUCATIONAL LEVEL:** Colleges and Universities

**DIRECTED TOWARDS:** Graduating seniors looking for employment

**OBJECTIVE:** This program is designed to assist prospective employers and employees in setting up interviews.

**DESCRIPTION:** The Pennsylvania Institute of Certified Public Accountants mails a questionnaire to firms and practitioners asking them what their anticipated hiring needs will be and compiles this information, including a brief summary of the firm, location and the person in the firm to contact regarding an interview. This list is then sent to college placement directors and accounting department chairmen and individuals who request the list.

**OBSERVATION:** Each year the number of firms participating increases. Students and employers alike have written testimonials on this program which brings together future employees and employers that did not have the opportunity to recruit and interview on campus.

Source: Pennsylvania Institute of CPAs



**ASSISTING PARENTS COMPLETE FINANCIAL RESOURCES  
QUESTIONNAIRE FOR COLLEGE SCHOLARSHIP AID**

**BASIC EDUCATIONAL LEVEL:** High Schools

**DIRECTED TOWARDS:** Parents of high school seniors

**OBJECTIVE:** This program is designed to assist parents in completing Financial Resources Questionnaire for College Scholarship Aid

**DESCRIPTION:** CPAs set up dates and locations and work with the schools to inform parents and students about this service

**OBSERVATION:** This program has helped many students, particularly minority students, complete the necessary forms for scholarship aid in order to attend college

Source: Pennsylvania Institute of CPAs





### III. CLIENTS

#### A. SUMMARY

Potential ARC clients are small businesses, non-profit organizations and private citizens. The need of the local community and the volunteers' skills and interests should determine which of these receives the greatest attention. At the start, care should be taken not to spread resources too thinly by attempting to accomplish too much at once.

#### B. SMALL BUSINESS CLIENTS

Many small businesses have the same needs as much larger corporations but must meet them without tax advisers, market analysts and other professionals. Accounting resource centers can alleviate the difficulties faced by all small businesses and particularly by minority entrepreneurs.

An ARC's main concern is to help competent businesses enter or remain in the local market place. Companies receiving services should possess all the ingredients needed for success, except technical accounting knowledge initially too costly to be purchased. Many clients may not even realize the importance of obtaining such knowledge and a center may be helpful in preparing them to enter into professional relationships.

ARCs should strive to assist all small businesses eligible under its established criteria (see Section III F, p. 37). Clients should not be limited by geographic or ethnic considerations. They may or may not be members of minority groups; in fact, numerous minority businesses have developed into viable competitive enterprises. These may help ARCs develop and present courses and training programs.

However, the present state of minority business development offers fertile territory for implementing meaningful social improvements. CPAs' initiatives to elevate the standards and systems of minority businesses would complement the Federal efforts. More important, they would contribute to the stability and prosperity of the entire local community.

Technical services a center may offer small businesses include:

1. formation and organization assistance;
2. financial planning and budgeting;
3. designing and improving bookkeeping systems;
4. gathering and presenting financial information;
5. managing cash and the organization;
6. reviewing internal controls;
7. investment analysis;
8. tax compliance assistance;
9. study and evaluation of financial management information systems;



10. assistance in obtaining funds from banks and other sources, including government procurement assistance;
11. non-repetitive reviews and evaluations, including tax reporting, annual reports, etc.

C. NON-PROFIT CLIENTS

Too many non-profit organizations have not received sufficient assistance in solving accounting and management problems. It is frequently assumed that the absence of the profit motive permits less rigid standards. Budgets rarely provide for adequate professional services. The result has been much inefficient use of public funds.

Non-profit organizations should be treated as any other client and be required to demonstrate inability to purchase the services requested. Eligibility standards should consider the size of the organization's budget and the availability of external funds to pay for the services, in addition to those listed in part F of this section.

Services peculiar to non-profit organizations include:

1. measuring costs and benefits of public service programs;
2. evaluating proposed programs;
3. educating and training boards of directors and committee members;
4. developing personnel structures and procedures;
5. improving delivery of services;
6. reporting on services delivered.

In addition, some of the services offered to small businesses may also be offered to non-profit organizations.

D. INDIVIDUAL CLIENTS

Accounting resource centers may also offer services to the average citizen having difficulty with financial matters. This is possible on an individual basis or through educational courses designed for the general public or particular segments of the community. A few examples of the kinds of information which may be offered to the public are:

1. home budgets;
2. bank accounts;
3. installment loans;
4. credit cards;
5. investment possibilities;
6. home purchases;
7. tax savings.

These and other topics may be presented in workshops or in all-inclusive courses. Brochures and pamphlets may be distributed in cooperation with banks, government agencies and consumer groups.

E. GOVERNMENT CLIENTS

Government agencies and departments, including school boards, may approach the accounting resource center for important accounting services not covered in their current budgets. ARCs can be valuable in filling such gaps often created by highly centralized government fiscal systems.

Here, as in all cases, standards of eligibility must govern the decision to accept or reject a client. Only temporary assistance should be provided.

F. ELIGIBILITY STANDARDS

Eligibility for assistance should be governed by standards specific enough to give guidance in common situations yet broad enough to include unique clients deserving assistance. In general, the following should be considered:

1. inability to purchase services in the market place;
2. disadvantaged group;
3. need for services requested;
4. likelihood of success;
5. impact of services on community;
6. length of time assistance is to be needed.

Clients should be advised of the short-term nature of the services offered and the advantages of establishing permanent professional relationships with CPAs.

G. TERMINATING SERVICES

As previously indicated, a system of referrals should be developed to facilitate the transition from ARC client to CPA client. Educational and training programs can be effective in making this transition easy. Clients should be encouraged to recognize accounting services as a necessary cost of being in operation and taught to provide for them.

A policy of automatic termination of services after a certain period of time had elapsed is an effective method of severing relations with clients without conflict. This may be coupled with an appeal procedure which allows continuation of services in special circumstances.

The center should develop a system of reviewing cases terminated. Information should be gathered on them to determine the benefits conferred to clients, particularly benefits of a permanent nature. Such information is also valuable in identifying successful programs and evaluating the services being provided



## ROLE OF THE CLIENTS

Conditional to receiving Community Accountants' services, Community Accountants' clients are expected to:

- furnish information for the Client Data Sheet;
- cooperate fully in the screening processes, furnishing all financial records and documents for the screener's review;
- sign and return to Community Accountants the engagement letter received;
- cooperate fully with volunteer in arranging meetings at mutually convenient times and in keeping appointments made with the volunteer;
- supply the volunteer with all necessary records and documents;
- prepare any schedules, reports, papers, postings, etc. requested by the volunteer;
- pay any out-of-pocket expenses explicitly requested of the volunteer;
- prepare and forward to Community Accountants an evaluation report at the conclusion of the engagement;
- notify Community Accountants immediately and in writing if/when the services of an accountant are to be retained on a fee-paying basis.



## COMMUNITY ACCOUNTANTS (PHILADELPHIA, PA)

### OBJECTIVES OF COMMUNITY ACCOUNTANTS – THE CLIENTS

By definition, Community Accountants is a social service agency. Through the use of volunteers, Community Accountants provides accounting skills and services to:

#### Profit-making Clients

. . . to socially or economically disadvantaged businesspeople, as defined by the U. S. Federal Government's Small Business Administration.

#### Not-for-profit Clients

. . . to non-profit organizations that are exempt from federal taxes under section 501(c) (3) of the Internal Revenue Code. Generally, groups organized for religious, charitable, cultural or educational purposes, or for the promotion of the general welfare and functioning as 501(c) (3) organizations may also be served.

#### Public Issue Clients

. . . to groups acting in the public interest and involved in the public discussion of community issues that are of broad major concern to the public at large. For example, issues relating to taxes, transportation services, utility services, environmental concerns, and health care.

#### Eligibility – Financial

To be eligible for Community Accountants' services, a client must be clearly unable to afford the cost of the requested accounting services in the market-place. The determination of such eligibility is made in the course of Community Accountants' screening process which includes examination of the client's financial position and budget.

#### Eligibility – Responsiveness

Clients are ineligible for Community Accountants' services if at any point in the relationship there is evidence of a non-responsiveness or non-cooperation on the part of the client. . . as, for example, an unwillingness to submit to the screening process; a failure to keep established appointments with or to cooperate with the Community Accountants volunteer; withholding pertinent financial information; and the like.

#### Eligibility – Duration

A client is no longer eligible for Community Accountants' assistance at that point where the client becomes financially able to retain competent professional service on a fee-paying basis.

In the case of internal accounting assistance, it is anticipated that volunteer services will not exceed five months. In unusual circumstances, Community Accountants' Executive Director may approve an extension of the normal service period.

In public issue cases, the complexity of the case determines the length of the service period.







## IV. ESTABLISHING THE CENTER

### A. SUMMARY

Good relations with the accounting profession are essential. The support of business and public service organizations, educational institutions and government agencies is also important. Personal visits, mailings, flyers and newsletters are useful in establishing relationships with these groups.

### B. RELATIONS WITH THE PROFESSION

Active cooperation with the profession is essential to the success of the ARC. Particular attention should be given to establishing cooperation with CPAs and CPA organizations before formal incorporation is planned.

State society executive directors and trustees should be contacted at the outset and kept informed of developments. State society newsletters offer a convenient method of reaching firms and practitioners and can be a valuable tool in recruiting volunteers and raising funds.

The large national and regional firms are often best equipped to provide both volunteers and support and can be particularly helpful during the formative stages. However, relations should be developed with every interested CPA and all the resources of the profession should be fully utilized.

The national associations of CPAs (and of other professionals) may also be approached for assistance. Many of them publish information useful to ARC clients as well as newsletters read by many CPAs.

A number of state society committees are active in public service activities. They provide assistance to many of the prospective clients of the ARC. The members of such committees should be considered for the board of directors.

Generally, professional relations may best be developed through personal contacts. The founders, officers, board of directors and the executive director should all contribute to this effort.

### C. COMMUNITY AND GOVERNMENT RELATIONS

During the planning and formation period of the ARC, it is advisable also to enlist the support of individuals in public and private organizations. Personal contacts should be established in the following areas.

#### Business Development

1. Small Business Administration (SBA)
2. Office of Minority Business Enterprise (OMBE)

3. national business development organizations (Urban League, NEDA, ICBO, etc.)
4. business resource centers (BRCs)
5. local financial institutions
6. merchant associations

#### Public Service

1. religious organizations
2. United Way
3. community action agencies
4. private community groups and associations

#### Government

1. state boards, committees and commissions (e.g., State Board of Education)
2. community development programs
3. municipal officials, agencies and departments (e.g., city planning departments)

#### Education

1. community colleges
2. university business schools
3. trade schools and training programs

A general mailing list should be developed early in the life of the ARC. A flyer may then be sent announcing the planned activities of the center (see Exhibits IV.3, p. 51 and IV.4, p. 53). This is helpful in identifying sources of support and should be coordinated with fund-raising activities (see Section VI). Eventually, information may be provided by a periodic newsletter (see Exhibit IV.5, p. 55).

During this planning stage it is also advisable to gather statistical information about the community being served. Data and surveys on the ethnic and economic composition of the community, its resources and its public services are valuable in preparing programs and in seeking funding. This information is usually available from the local library, municipal agencies and educational institutions. Out of this research, the ARC can gradually develop its own directories, special mailing lists, sources of clients and systems of referrals.

#### D. OUTREACH

Information about the services offered by the center may be disseminated through:

1. news releases (see Exhibits IV.1, p. 47 and IV.2, p. 49);
2. public service announcements on radio and TV stations;
3. press conferences;
4. brochures and flyers (both descriptive and informative) (see Exhibits IV.3, p. 51 and IV.4, p. 53);
5. public appearances (before community groups, churches, TV and radio audiences);

6. magazine articles (particularly trade- and minority-oriented publications);
7. newsletters (see Exhibit IV.5, p. 55).

Public relations and community contacts are of value to the ARC and to the CPAs involved. However, it is the service provided to the community that measures success or failure. Care should be taken not to be overly aggressive in seeking public recognition and attention. The services rendered should—and will—speak for themselves.



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**Sample News Release on an  
ACTION PROGRAM**

( ) Society of Certified Public Accountants  
(Address)

For Further Information call \_\_\_\_\_  
Phone No. \_\_\_\_\_

FOR IMMEDIATE RELEASE

**CPAs KICK OFF STATEWIDE PROGRAM  
TO INTEREST YOUTH IN ACCOUNTANCY**

A statewide program to spread information among high school and college students about the opportunities open to qualified young men and women in the accounting profession was endorsed last night (Tuesday) at the regular quarterly meeting of ( ) Society of Certified Public Accountants at the Hotel Central in Bethport.

A special education committee of eight members, each representing a specific area of the state, was appointed by President John Doe, of (*home town*), to coordinate the program and make arrangements with school authorities.

Named to the committee were: Willard Smith, Middletown; Robert Nichols, Watertown; etc.

The special program, Mr. Doe said, is designed to help fill the need in the nation's growing economy for additional certified public accountants by attracting able young persons into the profession.

5/6/19\_\_

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**Sample News Release on  
TAX CLINIC**

( ) Society of Certified Public Accountants  
(Address)

For Further Information call \_\_\_\_\_  
Phone No. \_\_\_\_\_

FOR IMMEDIATE RELEASE

**STATE CHAMBER AND CPAs SPONSOR  
TAX CLINIC FOR SMALL BUSINESS**

The tax problems of small businessmen will be discussed at a special two-day tax clinic to be held March 21-22 at the University of ( ) School of Business under joint sponsorship of the ( ) Chamber of Commerce and ( ) Society of Certified Public Accountants.

Judson K. Smith, of Bethport, chairman of the CPA Society's Small Business Advisory Committee, and Kenneth S. Jones, president of the State Chamber of Commerce, who announced plans for the clinic, said the list of speakers would include R. K. Brown, CPA, of Allensby, former deputy administrator of the U.S. Internal Revenue Service.

The clinic will open Friday at 2 p.m. with a forum on "The Effect of New Tax Legislation on Small Business." George T. Roberts, CPA, senior partner in the Bethport accounting firm of Roberts & Roberts, will preside.

The evening program will include a panel discussion on investment credits available to small businesses. Panel members will include . . . (list names and home towns).

Mr. Brown will be the featured speaker at the final session. He will speak on "Your Tax Dollar", and will answer questions from the floor.

3/14/19---

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**COMMUNITY ACCOUNTING AID & SERVICES, INC.  
(HARTFORD, CT)**

**WHAT IS  
COMMUNITY ACCOUNTING AID & SERVICES, INC.**

- o A non-profit organization of CPAs, accountants, and community leaders dedicated to providing disadvantaged businessmen, non-profit organizations and individuals with professional accounting and financial services, training and education in order to further their economic advancement.

**WHO IS ELIGIBLE?**

- o Those with genuine need.
- o Those who are unable to purchase such services.
- o Those who are not presently serviced by an accountant.

**WHAT SERVICES ARE OFFERED?**

- o Installation of accounting systems and procedures for businessmen and social service agencies.
- o Training in internal control and financial management.
- o Personal advice in such areas as budgeting, banking, consumer buying, credit and money management.

**ARE YOU MAKING MONEY OR NOT IN YOUR BUSINESS?**

**DO YOU KNOW**

- o Why you should keep records?
- o How to make intelligent business decisions?
- o How to go about getting a loan?
- o How to estimate costs and to accurately determine prices?

**IF YOU DON'T KNOW, YOU MAY BE IN TROUBLE?**

Can you get the answers to these and many other questions?

**YES, AND FOR FREE!**

The CPAs (Certified Public Accountants) in the state of Connecticut have volunteered their services to the business people who need expert business and financial advice but cannot afford it.

**DON'T WAIT UNTIL YOU ARE IN TROUBLE! CONTACT US TODAY!**





# TAX RETURNS DONE FREE

by **volunteers**

SINCE 1970  
ESTABLECIDO DESDE 1970

**NO GIMMICKS.** This service is given absolutely **FREE** by unpaid volunteers (accountants, lawyers, students and others).

You are eligible for our service if your income is within the limits listed below.

Bring the W-2 forms and records of all other income (such as bank interest and tips) for you and your whole family, and records of all expenses you think might help cut your taxes (such as medical bills and child care expenses). Also, bring a copy of last year's tax return if you have it.

**IMPORTANT - SPECIAL REFUND:** You may get a large refund—even if no tax was withheld from your pay. If you do not usually prepare a tax return, come see us. To qualify for this special refund, you must have less than \$8,000 of wages and support at least one child.

Come see us **NOW**—before April 15.

**NO HAY TRUCOS NINGUNOS.** Este servicio es ofrecido absolutamente **GRATIS** por voluntarios (contadores, abogados, estudiantes y otros).

Nosotros le ayudaremos si sus ingresos caen bajo ciertos limites (lea abajo).

Traiga sus formas W-2 y las de toda su familia, todos sus records de otros ingresos (como intereses de sus cuentas de ahorros y propinas) o cualquier otro documento que usted piense nos pueda ayudar a determinar sus gastos y los de su familia (como gastos medicos y del cuidado de niños). Si usted y su familia tiene copias de su income tax del ano pasado, traigalas con usted.

**IMPORTANTE—REEMBOLSO (Devolución) EXTRAORDINARIO**  
Usted puede recibir una devolución grande de impuestos aunque estos no hayan sido retenidos de su sueldo. Si generalmente usted no prepara su planilla de impuestos sobre ingresos, venga a vernos. Los requisitos para esta devolución extraordinaria son haber recibido sueldo de menos de \$8,000 y tener por los menos un hijo que dependa de usted.

Venga a vernos lo mas pronto posible, antes del 15 de Abril.

10 YEARS OF SERVICE

People in family  
Personas en la familia

1  
2 or more  
o mas

Family income less than  
Ingresos de familia menos de

\$ 7,000  
11,000

10 ANOS DE SERVICIO

No more than \$1,000 from interest, dividends, and capital gains  
No puede tener mas de \$1,000 en intereses, dividendos, y ganancias

For more information, call: 566-5950 (Weekdays 9 AM to 5 PM)

FOR THE OFFICE NEAREST YOU, SEE THE REVERSE SIDE

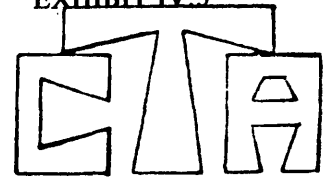
Para mas informacion, llame: 566-5950 (dias entre semana)

PARA LAS OFICINAS MAS CERCANAS, VEA EL PROXIMO LADO



# Storefront Accountant

Volume 5, Number 1 © 1979, Community Tax Aid, Inc. January 1979



## TRAINING DATES

*New volunteers*—and those who want (or need) a refresher: Saturday, February 3, 10:30 a.m. to 3:30 p.m. (alternate date: Tuesday, February 6, 6:00 p.m. to 9:00 p.m.).

*Agenda:* brief introduction to CTA, fundamentals of federal and NY state tax rules, with an emphasis on areas affecting CTA clients.

*Advance reading*—not required, but highly recommended: IRS Publication 17, "Your Federal Income Tax" (free at IRS offices), chapters 1, 2, 3 and 7; instructions to federal Form 1040A and NY State/NY City Form IT-200 (available at federal and state tax offices and at many banks).

*All volunteers:* Saturday, February 10, 10:30 a.m. to 3:30 p.m. (alternate date: Thursday, February 8, 6:00 p.m. to 9:00 p.m.).

*Agenda:* more on tax rules and forms; 1978 changes: interviewing techniques—with a special CTA videotape program; discussion groups; preliminary storefront assignments; meet managers.

*Advance reading:* same as above; instructions to Forms 1040 and IT-201/208.

Bring a light lunch with you. We'll serve coffee, tea, hot chocolate, and whatever.

Please use the reply form on page 5 to let us know which session(s) you will attend.

Training will be in the seminar rooms of the Foundation for Accounting Education (New York State Society of CPAs), 600 Third Avenue at 40th Street, 6th floor, in Manhattan. We thank the Foundation and the Society for making these facilities available.

## MANAGER TRAINING

A special training session for all managers and advanced volunteers is set for Saturday, January 20, 10:30 a.m. to 2:00 p.m. (alternate: Tuesday, January 23, 6:00-9:00 p.m.). Managers should already have received notices; advanced volunteers who want to attend should call director Mike Israels at 483-1000, extension 354.

## TO NEW VOLUNTEERS...

...welcome. As an all-volunteer group with no paid staff, it's quite a time-consuming task to launch a program with over 10 offices in 4 of our city's boroughs, coordinate over 150 volunteers, arrange training, publicity and other essentials, and all the time ensure that our work will be professional. Please be tolerant of delays, and if you want to help with administrative work you'll find ample opportunities in these pages.

Some of you are waiting for volunteer applications—you'll get them at the training sessions (see separate article). You are on our mailing list, and for now that's what counts.

(please turn to page 6)

## 1978 RESULTS

The 1978 tax season saw 130 volunteers help 2,600 people in 11 different neighborhoods. The storefronts were open just under 500 hours and total volunteer time at the storefronts was almost 2,600 hours. Here are the numbers of people helped at each location:

East Harlem	462
South Bronx	418
Hunts Point	344
Corona/East Elmhurst	269
East New York	230
Lower West Side	200
Bedford-Stuyvesant	178
Mid West Side	147
Lower East Side	142
Chinatown	130
Jamaica	79

(please turn to page 4)

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## THE COMPLETE VOLUNTEER

What more can a volunteer do than work in a storefront? Let us count the ways...

- typing and clerical help
- recruiting other volunteers
- publicity
- storefront operations
- mailings to CTA clients
- volunteer administration
- manage CTA administrative office
- newsletter contributions
- IRS examinations
- artwork
- your ideas:

Hardworking volunteers move up fast at CTA. And work will expand almost infinitely if you seek it. Whether a single, short task or a time-consuming project, we need and appreciate your help. Our board of directors always needs fresh energy and extra work is the proven route to the board. Use the reply sheet if you can help.

### TELL A FRIEND...

...about CTA. Friends share similar interests, and this is how we get some top-notch volunteers.

## WHO'S WHO AT CTA

CTA's 15 directors are responsible for all functions. If you want to help, or have a question or problem, with any area, please write to the director in charge:

Recruiting: colleges	Barbara Gonzo
CPA firms	Tom Kloc
other	Jeff Gold
Volunteer Administration	Wendy Montgomery
• Training	Michael Israels
Operations	Sheldon Barasch
Taxpayer Representation	Sheldon Barasch
Public Relations	Harvey Watkins
Mailings	Joyce Luis
Other	Don Stillman

Other directors, who share supporting roles in each area, are: Sue Catlett, Tom Kelly, Carol Myers, Toni Savage, Deborah Schenk and Jim Schiller.

## TAX AID OUTLET PLACES

Colorado: Volunteer CPAs and students working with the Colorado CPA Society worked Sunday afternoons at 18 sites—mostly churches—in Denver, Greeley and Pueblo during the 1978 filing season. The program ended in late March and helped several hundred people. Program coordinator is Mary Medley, Colorado Society of CPAs, 7720 East Belleview Avenue, Englewood, CO 80110.

Detroit: The metropolitan Detroit program grew quickly and now it's the largest in the nation—4,000 families helped last year. The 1978 program ran each Saturday from February 4 to April 15. It is part of the Accounting Aid Society of Metropolitan Detroit, a multi-service nonprofit assistance group with a nearly half-million dollar annual budget. The 150 volunteers included 90 professionals (from 12 firms) and 60 students (from 10 colleges). This is a program CTA's example and advice helped start and we could not be more pleased by AAS-MD's great success. Tax program coordinator is Christopher T. Callaghan, AAS-MD, 232 W. Grand River—room 1400, Detroit, MI 48226.

New Jersey: Tax Aid Service, Inc. (TASI) volunteers worked in 15 cities and towns in northern New Jersey and helped 950 people. Public libraries served as TASI offices in several towns. The program is affiliated with the New Jersey CPA society and was open both weekday evenings and Saturdays. For information, contact Hugo Bartel, NJ Society of CPAs, 550 Broad Street, Newark, NJ 07102.

Alfred, NY: Twenty students from Alfred University helped 50 residents of 3 nearby towns. This program in western New York is guided by Professor Ernest Enke, School of Business Administration, Alfred University, Alfred, NY 14802.

Chester, PA: Professor Martin Gage and students at Widener College offered a free tax service in downtown Chester (just South of Philadelphia) for the 3rd year. In past years, KYW-TV in Philadelphia and the Philadelphia *Evening Bulletin* both reported on the program and the *Bulletin* supported it in an editorial. For information, write to Professor Gage at the college, Chester, PA 19013.

Other programs: We'll devote as much space as necessary in our next issue (due in late March)—please let us know you exist and share your experiences.

## 1979 TAX SEASON CALENDAR

Open: Monday, February 12  
 Holiday: Monday, February 19  
 Vacation week: Monday, March 12 to Saturday,  
 March 17  
 Last day: Monday, April 16

New, higher income limits approved by the board:

1 person	up to \$7,000
2 or more in family	up to \$11,000

### A NEW NAME?

As more lawyers and law students volunteer to work with CTA we find the name *Storefront Accountant* more confining. Any suggestions for a name change?

### SHOPPING LIST

In-kind contributions of services, equipment and supplies are vital to us. Donors can get a tax deduction for most items. With fingers crossed, here's our shopping list:

- Typewriter (preferably electric)
- Bookshelves
- 1- or 2-drawer file cabinets
- Multilith services
- Mailings (our envelopes, your meter)
- Use of magnetic card typewriter
- Paper shredder

If you can supply these items or offer others you think we can use, please use the reply form or write to Don Stillman at CTA's address.

*Storefront Accountant* is a newsletter for the volunteers of Community Tax Aid, Inc. (CTA) and similar programs in other cities. We invite articles and other newsletter contributions.

CTA is an all-volunteer, self-governing program which helps low-income taxpayers for free. CTA has no paid staff and since 1970 has helped 18,000 people.

Editorial office is at 36 West 44 Street, room 704, New York City 10036. Editor: Jeff Gold.

## 1979 - OUR TENTH YEAR!

### EDITORIAL: Poisoned Fruit

A mighty blow to New York State's low-income taxpayers are the new "benefits" bestowed by the legislature. They're small and they're overly complex.

First, there's a "household credit" of from \$35 to \$65. It's based on "household gross income" and is phased out when "HGI" reaches \$25,000.

Then there's a "real property tax credit" or an alternative "real property tax deduction," where "household gross income" is under \$12,000—and even renters are eligible for it. The credit ranges from \$10 to \$20 if no one in the household was 65 or over, and up to \$200 if someone was 65 or over. Here's why both "benefits" are burdensome:

- an alternative deduction or credit for real property taxes is a needless complexity.
- the term "household gross income" for the household credit and for the real property tax credit/deduction has *two* widely separate meanings.
- the instructions for claiming the household credit refer to "dependents" as defined in "Section 151(e) of the Internal Revenue Code..."—as if everyone has a copy on the home bookshelf and could understand it if they did.
- the household credit is available to single people living alone, thus adding to the confusion over why they cannot claim "head of household" filing status on their federal returns.
- the form for claiming the real property tax credit has 37 lines on both sides of a page and requires a list of nearly all taxable *and* nontaxable income of all household members. Remember, where no one in the household is 65 or over, this is for a maximum of 20 bucks.

We've long had much to gripe about in our tax laws, but the New York State legislature has hit a new low. Laws like this are so far off target they breed frustration and disgust for the specific statute and contribute to contempt for the entire legal system. The newly elected legislature would do well to take a fresh look at the poisoned fruits of its predecessor and recast the dubious benefits into a form far less complex.

1978 RESULTS (from page 1)

Among the state returns we prepared were the expected ones for New Jersey, but also for Pennsylvania, Ohio, North and South Carolina, Georgia, Florida, Kentucky, Illinois and Minnesota.

Volunteer profile

Fifty-two accountants, 16 attorneys, 41 accounting students and 14 law students were among CTA's volunteers. Forty percent of all volunteers and just under 40 percent of the managers and assistant managers were women. And, CTA's oldest volunteer is a very young 70+.

Nearly 50 volunteers worked 20 or more hours at storefronts—and this does not include training or travel time. To all volunteers, our thanks for their valuable participation. Those in the 20+ category we acknowledge by name (reverse order for a change):

- |                   |                  |                   |
|-------------------|------------------|-------------------|
| Charles Zeller    | Arlene Rybeck    | Reva Hausman      |
| Tom Warren        | Steve Ringel     | Al Guzman         |
| Mary Wang         | Gery Richards    | Barbara Gonzo     |
| Keith Van Arsdol  | Steve Peters     | Jeff Gold         |
| Daniel Turkeltaub | Stanley Pei      | Mike Fiore        |
| Alan Tucker       | Bill Orchow      | Alice Dong        |
| Helen Tam         | Jim McCabe       | Bill Dodds        |
| Don Stillman      | Joyce Luis       | Elwood Davis      |
| Ruth Stevens      | Therese Liu      | Connie Clausen    |
| Ken Simon         | Sue Lee          | Elizabeth Ching   |
| Len Silverman     | Tom Kloc         | Vincent Chiarello |
| Rick Siegrist     | Joan Kerr        | Sue Catlett       |
| Jim Schiller      | Larry Hutchinson | Kevin Casey       |
| Deborah Schenk    | Eli Horowitz     | Deborah Bayuk     |
| Toni Savage       | Gloria Hernandez | Barbara Barrett   |
| Mary Santonas     | Pat Henry        | Shelly Barasch    |
|                   |                  | Harry Alston      |

Publicity

The Mayor's Voluntary Action Center again let us use its phone number (566-5950) in our ads so the public would have a place to call for information. The extra demand this places on MVAC staffers is substantial and each one has our deep appreciation for their wonderful spirit of cooperation.

As for the media, our thanks to the New York Times and financial reporter Deborah Rankin for the fine article about CTA on February 21, 1978 (see our last newsletter).

You may have seen our public service announcements on TV or heard them on radio. WOR-TV and WCBS-TV donated tens of thousands of dollars of air time,

some of it during the prime hours. And, WCBS radio, both AM and FM, contributed thousands of dollars of air time. Our thanks to each station and to the individuals who worked with us for their sensitivity to the needs of low-income New Yorkers and their generosity in helping us get our message across.

Contributors

CTA's budget is small—under \$3,500—thanks to the many in-kind contributions we receive. As legal assistance programs get their support from the legal profession, we seek our support from CPAs. We gratefully acknowledge their many cash and in-kind contributions. Our existence and success depends on this wide support. 1977-78 contributors were:

- Donald C. Alexander, Esq.
- Anchin, Block & Anchin
- Arthur Andersen & Co.
- Max Block, CPA
- Barbara S. Barrett
- Cohen & Feld
- The Dover Fund (of Oppenheim, Appel, Dixon & Co.)
- Ernst & Ernst
- Fields, Fischgrund & Aerenson
- Alexander Grant & Co.
- Hurdman & Cranstoun
- Laventhol & Horwath
- S. D. Leidesdorf & Co.
- Mason & Company
- Peat, Marwick, Mitchell & Co.
- Barry Pogash, CPA
- Price Waterhouse & Co.
- Jerome Rosenberg, CPA
- Jacob Salomon, CPA
- Seidman & Seidman
- Touche Ross & Co.
- Samuel B. Traum, CPA
- Keith Van Arsdol
- Wilens & Prasad
- Arthur Young & Company
- Zeller & Goldschmidt

...And more thanks

Special thanks to the community groups and their staffs who let us use their offices and worked with us for a better New York; to the New York State CPA Society for letting us use their facilities for our training and other meetings; to the many IRS people who helped us get forms and reference material on time and who responded to our questions and problems; to Oppenheim, Appel, Dixon & Co. for arranging a reference service with its tax staff so we could call in brief research problems on weekends and evenings; and to those we'll mention in the next newsletter, with deserved apologies, after the editor learns he omitted their names—a felony, no doubt.



1979 - OUR TENTH YEAR!

**THE IRS' ROLE**

"...it is the responsibility of each person in the Service ...not to adopt a strained construction [of the law] in the belief that he is 'protecting the revenue.'" This statement from Revenue Procedure 64-22, which was restated in a September 1977 Internal Revenue Manual Supplement (number 42G-369), led Commerce Clearing House to comment, "The spirit of the instructing document is that the IRS agent represents the taxpayer as much as he does the government." (789 CCH Std. Fed. Tax Rep. ¶8283). To which we add, "amen."

**A CLIENT DOWN UNDER**

The letter said the retiree needed help. He was, as Archie Bunker says, a WW2 veteran. His income was under \$6,000 and he had not filed returns since he retired 12 years ago. Now the IRS wanted to know why he didn't file and he was scared.

The letter would not be unusual for CTA except for the postmark—New Zealand! CTA director Jim Schiller has been helping our NZ client, a former Brooklyn resident who's about as far from the city as one can get. Any volunteers for a NZ office?

**ACCOUNTING SHOW**

CTA will again be at the annual Accounting Show and Conference at the N Y Hilton. The Show, from April 30 to May 2, is sponsored by the NY State Society of CPAs, its Foundation for Accounting Education, and the state CPA societies from 8 neighboring states.

This year CTA will share the public service booth with Accountants for the Public Interest—NY and the NYSSCPA's Community Affairs Committee. If you'd like to manage CTA's participation, help staff the booth for one hour or more, or use your artistic talents to prepare a display, use the reply form or send a separate note to Jeff Gold at CTA's address.

..... **REPLY** .....

Training (see page 1): I'll attend these sessions:

- |   |  |   |
|---|--|---|
| <u>Introductory</u>                               | <u>General (all volunteers)</u>                    | <u>Managers &amp; advanced volunteers.</u>        |
| <input type="checkbox"/> Saturday, February 3, or | <input type="checkbox"/> Saturday, February 10, or | <input type="checkbox"/> Saturday, January 20, or |
| <input type="checkbox"/> Tuesday, February 6      | <input type="checkbox"/> Thursday, February 8      | <input type="checkbox"/> Tuesday, January 23      |

Accounting show (see page 5): I want to ...

- manage CTA's exhibit,  staff the booth,  prepare a display or other materials

Shopping list (see page 3):  I/we can offer: \_\_\_\_\_ Please contact me.

The complete volunteer (see page 2):  I want to help with: \_\_\_\_\_

Contributions:  I don't have the time to volunteer but I want to help with a tax deductible contribution. My \$ \_\_\_\_\_ check is enclosed.

Name..... Phone .....

Firm .....

Street .....

City/State/ZIP.....

Mail to -> Community Tax Aid, Inc.; 36 West 44 Street, room 704. New York City 10036

## FOR READING, RESEARCH OR JOINING

*People & Taxes* is the monthly newspaper of Public Citizen Tax Reform Research Group, which was established by Ralph Nader to work for reform of income and other taxes. One year subscriptions are \$7.50 for individuals and \$12 for business. You can get a free sample of *P&T* by writing to Box 14198, Ben Franklin Station, Washington, DC 20044.

*Tax Notes* is a comprehensive weekly published by the Taxation with Representation Fund. Its Tax Analysts Division makes specialized tax information available to the news media, and its Tax Advocates division conducts a public interest law practice. Some of *Tax Notes'* departments are: press watch, focus on Treasury, IRS Manual summaries, SEC tax data chart, IRS rulings, and special reports. 12-week trial subscriptions are \$25—expensive but worthwhile. *Tax Notes* is at 6830 North Fairfax Drive, Arlington, VA 22213.

*Accountants for the Public Interest (API)* is eleven separate groups across the country which provide accounting counsel on public interest issues to non-profit groups. When API joins an issue it does not advocate the client's cause but remains independent.

Community Tax Aid, Inc.  
Box 1040, Cathedral Station  
New York City 10025

Dues are \$20 for professionals and \$5 for students. For information about the New York group, write to API-NY, 36 West 44 Street, room 704, New York City 10036. For other cities, write to API, Fort Mason Center, Building 310, 3rd floor, San Francisco, CA 94123.

## NEW VOLUNTEERS (from page 1)

We prefer that you have completed a federal tax course, but we do consider equivalent experience. If you're in doubt, come to the first training session and speak with us.

The toughest part of our work is the technical muck we must cope with. Much of what you'll do is routine—but there are enough exceptions, enough surprises, enough challenges for all. The atmosphere at CTA is casual—first names are the rule. Each of our storefronts is run by an experienced manager who will help you learn, and review your work. As part of a CTA storefront team you can expect a personally rewarding professional experience that should also be fun.

FIRST CLASS MAIL



## V. FORMAL INCORPORATION

### A. SUMMARY

During the process of establishing relations with the profession and the community, the founders of the ARC can take the necessary steps to organize the center formally. Incorporation, bylaws, formation of the board of directors and tax-exempt status must be addressed at this time; an attorney should be consulted.

Bringing the entity into existence requires some "seed" money and considerable volunteer efforts. The board of directors can be most helpful in meeting organizational expenses such as legal fees, rent and cost of supplies. Therefore, members may informally be identified before actual incorporation.

When designing the composition of the board, consider members from these categories:

1. CPAs, including members from industry, government and education;
2. community leaders, including clergy and businessmen;
3. lawyers;
4. successful entrepreneurs;
5. philanthropists;
6. accounting students.

Women and minorities should be well represented.

### B. INCORPORATION

The procedure for incorporation is governed by state statute. The sample documents included in this manual may serve as a model. Modification of specific provisions is encouraged to adapt the center to local circumstances. The following exhibits may be helpful during formal incorporation.

1. organization checklist (Exhibit V.1, p. 65);
2. certificate of incorporation (Exhibit V.2, p. 69);
3. bylaws (Exhibit V.3, p. 73);
4. applying for tax exemption checklist (Exhibit V.4, p. 83);
5. professional liability insurance policy (Exhibit V.7, p. 89).

### C. BOARD OF DIRECTORS

As indicated above, the board of directors may play a significant role in the organization and operation of the center. A recommended size is one of between fifteen and twenty-five directors serving terms of three years, with only two consecutive terms permitted. As an alternative, one-year terms, with successive appointments may be considered.

Since the board of directors is so important to the ARC, high professional standards and policies must be developed and maintained in the conduct of its affairs. Attendance at monthly board meeting should be regular and the business at hand undertaken in a professional manner. These and similar considerations should be governed by a written statement of policy whenever possible. The "Guidelines for Board Development" included in this manual may be helpful during the early stages of the ARC (see Exhibit V.6, p. 87).

The responsibilities of the board are usually described in the bylaws. They may be broadly categorized as:

1. establishing the policies of the ARC;
2. designing management systems and operating procedures;
3. fund raising;
4. public relations;
5. evaluating and reviewing the ARC's programs;
6. orienting new members.

The process of orienting new members should include advising them personally of what is required and expected of them. The potential liability arising from serving as a director should be pointed out to the extent that each member understands his legal responsibility for the activities of the organization (see Item D, below). The function of orienting new members is usually assigned to a committee of the board.

The board of directors may wish to have several standing committees. Recommended are:

1. executive committee – composed of the officers and two to four other members;
2. board development committee (see Exhibit V.6, p. 87);
3. resource development committee;
4. public relations committee;
5. quality control committee;
6. evaluations committee.

In addition, ad hoc committees may be established from time to time to perform specific tasks.

The duties of the officers of the board and of the executive director are described in the bylaws (Exhibit V.3, p. 73). A job description, including desirable qualities and experience, should be developed for each office established.

Examples of provisions for election, term and removal of officers are also in the sample bylaws.

#### D. LIABILITY

A non-profit (or not-for-profit) corporation has the capacity to exist and act as a legal entity just as a business corporation does. This separate existence provides share-

holders and members of the corporation the protection of limited legal liability. Nevertheless, there are some special circumstances that may result in an individual being liable in connection with activities he undertakes for the corporation.

Liability may arise when individuals fail to make clear the fact that they are acting on behalf of the corporation and not on their own behalf. A "model engagement letter" and a "letter of request" similar to those in this manual should be used to avoid this potential liability (see Exhibits VIII.9, p. 201; VIII.10, p. 203; VIII.11, p. 205; and VIII.12, p. 207).

Liability may also arise from the fiduciary relationship which exists between a corporation and a director or officer. The director or officer who learns of any business opportunity which the corporation might conceivably pursue must fully disclose it to the corporation. Only if the corporation decides not to avail itself of the corporate opportunity may the director or officer profit by it.

Rejected ARC applicants and applicants not eligible for assistance would not present a corporate opportunity conflict to a CPA wishing to provide the desired services to them. Nevertheless, a policy of full disclosure of relationships with rejected clients and with prior clients of the center is recommended.

Professional liability insurance is available for the corporation and its directors, officers and staff against claims for negligence and other liability incurred while representing the center. A sample policy is included in the manual (Exhibit V.7, p. 89).

It may also be desirable to bond staff members and the treasurer of the corporation.

Acquiring tax-exempt status is a lengthy process and should be undertaken as early as possible. It is advantageous to have at least a pending application when soliciting contributions (see Exhibit V.4, p. 83).



**PLANNING FOR AND CONTROL OF INCORPORATION BY USING A CHECKLIST**

A checklist can be used as both a planning guide and control to outline and monitor the responsibilities assigned to all parties. The following checklist may be used for both of these purposes.

**ARC INCORPORATION CHECKLIST**

	To be done by		Date	
	Attorney	Incorporators	Required	Completed
<p>A. A meeting of incorporators and attorney should be held to decide on the following matters.</p> <ol style="list-style-type: none"> <li>1. Select a target date.</li> <li>2. Select a corporate name. Reserve name with Secretary of State.</li> <li>3. Select directors and obtain their names, home addresses, and social security numbers.</li> <li>4. Select officers and obtain their names, home addresses, and social security numbers.</li> <li>5. Other matters incident to management and control of the corporation.</li> <li>6. Select a statutory agent to accept service of process. Obtain name and address.</li> <li>7. Determine which assets and liabilities will be transferred to the corporation.</li> <li>8. Select benefit plans to be adopted:                             <ol style="list-style-type: none"> <li>a. pension plan;</li> <li>b. group life insurance;</li> <li>c. hospitalization and/or accident insurance plan;</li> <li>d. vacation benefits.</li> </ol> </li> <li>9. Content of employment contracts including consideration of the following:                             <ol style="list-style-type: none"> <li>a. term or length of contract;</li> <li>b. definition of employment;</li> </ol> </li> </ol>				

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Adapted from *Incorporating a Professional Practice, Comprehensive Checklist*, by Kline D. Strong, CPA, J.D., Professor of Law, University of Utah, as presented in the AICPA Management of an Accounting Practice Handbook.



- c. compensation and provision for additional compensation;
  - d. employer and employee expenses and reimbursements;
  - e. recognition of prior service;
  - f. necessary legal prerequisites;
  - g. corporation's authority as employer;
  - h. disability;
  - i. termination of employment-
    - o normal retirement;
    - o early retirement;
    - o forced resignation;
    - o late retirement;
  - j. death or retirement benefits other than through qualified plans;
  - k. restrictions on assignment and/or transfer;
  - l. guarantee of continuity of benefits;
  - m. disposition of outside income;
  - n. restriction on outside business investments and activities;
  - o. ownership of records, work-papers, manuals, etc.;
  - p. vacations;
  - q. other matters.
10. Selection of a corporate fiscal year.
11. Selection of an accounting method.
- B. Draft necessary corporate documents including but not necessarily limited to:**
- 1. Articles of incorporation.
  - 2. Bylaws.
  - 3. Minutes of first meeting of Board of Directors.
  - 4. Membership certificates.
  - 5. Employment agreements.
  - 6. Pension, profit-sharing, and other benefit plans.
  - 7. Documents of transfer of assets and liabilities.
  - 8. Leases.

	To be done by		Date	
	Attorney	Incorporators	Required	Completed

- 9. Application for registration with State Board of CPAs, Education, or other licensing body.
- 10. Preincorporation agreement, if any.
- C. Make the necessary filings as are required by state and/or federal law or obtain the following including:
  - 1. Articles of incorporation.
  - 2. Application for registration.
  - 3. Federal and state identification numbers.
  - 4. Other state requirements.
- D. Hold organization meeting. In addition to the adoption of bylaws, election of officers, and transfer of assets, it may be desirable to:
  - 1. Adopt and execute employment contracts, stock redemption, leases, etc.
  - 2. Make the necessary banking and borrowing resolutions.
  - 3. Establish annual meeting date.
  - 4. Enter fiscal year end in minutes.
  - 5. Adopt pension plan, profit-sharing plan, and other benefit plans.
- E. Prepare incorporating balance sheet and other documents including:
  - 1. Chart of accounts.
  - 2. New ledgers and journals.
  - 3. Checks and other printed accounting forms.
  - 4. Organization chart and statements of policy.
  - 5. Position descriptions.
- F. Notify various persons or organizations to implement the following:

To be done by		Date	
Attorney	Incorporators	Required	Completed

	To be done by		Date	
	Attorney	Incorporators	Required	Completed
1. Workmen's compensation and unemployment insurance.				
2. W-4 forms.				
3. Telephone listing.				
4. Insurance policies.				
5. Leases.				
6. Signs, front door, building directory, stationery, business cards, invoices, etc.				
7. Utilities and other suppliers.				

**SAMPLE ARTICLES OF INCORPORATION  
OF  
(CORPORATE NAME)**

**FIRST:**           The name of the Corporation is \_\_\_\_\_.

**SECOND:**        The specific purposes for which the organization is formed is: to work on a non-profit basis in a consultive, advisory or interpretive capacity with the financial aspects of the cases, projects, or matters of a public interest nature of educational, charitable or other community organizations; and to study, research and report on public policy issues on its own behalf; and to provide such other non-profit accounting services needed in the communities which it serves.

The general purposes and powers are:

(a) To operate solely and exclusively for educational, charitable, scientific, and literary purposes, including, for such purposes, the making of payments or distributions to organizations that qualify as exempt organizations under Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

(b) To undertake, promote, develop and carry on educational, charitable, scientific, or literary work; to establish and maintain, in whole or in part, educational, charitable, scientific or literary agencies or institutions; in the absolute discretion of the Board of Directors to make donations, gifts, contributions and loans out of its annual net income or assets, or both (without limit as to the amount going to any one recipient, or, in the aggregate, to all recipients), to or for the use of any and all corporations, organizations, foundations, institutions, the United States, any state, territory, or political subdivision thereof, the District of Columbia, governmental bodies, individuals, or projects for educational, charitable, scientific or literary purposes; to cooperate with any individual, foundation, group, association or corporation, whether public or private, including specifically, any educational institution and any learned society, and with any state, county, town, city or other political subdivision, in effectuating or furthering any or all of the foregoing purposes.

(c) To acquire by any means, property of any kind without limitation as to its value and to dispose of such property in such manner, as in the absolute discretion of the Board of Directors will promote the purposes of the Corporation, but subject to such limitation as may be prescribed by law.

(d) To accept gifts, bequests, devises, and donations from any individual, firm, corporation, or other organization; to acquire, receive, purchase, real, personal and mixed property of every kind and description, wheresoever the same may be situated and without limit as to amount, including, without limiting the generality of the foregoing, money, lands, buildings, paintings, portraits, drawings, statues, busts, and all other works of art, mortgages, shares, stocks, debentures, bonds, securities, including the stocks, bonds, debentures or other securities of any donor, bills, notes, claims, or any evidence of indebtedness and any interest in property which may be necessary or useful for the conduct of the Corporation; to hold, invest, reinvest, use, mortgage, pledge, sell, lease, assign, give, exchange, transfer or otherwise dispose of the same at pleasure; to borrow money of any person, firm or corporation and to issue notes or obligations of the Corporation from time to time for any of the objects of purposes of the Corporation and secure the same by lawful means; to enter into, make, perform and carry out contracts of any kind or nature for any of the objects or purposes of the Corporation without limit as to amount; and to have one or more offices to carry on all or any of the operations and the exercise of any of the powers of the Corporation.

(e) To do all and everything necessary, suitable and proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers, herein-before set forth and to the same extent as natural persons might or could do, either alone or through the agency of other corporations, organizations, foundations, governmental bodies or individuals, but only if such agency, corporation, organization, foundation, institution or governmental bodies are exempt from tax as organizations described in Section 501(c) (3) of the United States Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law) and to do all things not forbidden by the laws of the State of California and with all the powers conferred upon corporations by the laws of said State for the purposes of accomplishing any of the foregoing purposes.

Provided, however, that the business and the objects and purposes to be transacted, promoted or carried on by the Corporation shall be conducted and carried on in accordance with the provisions of Section 501(c) (3) of the United States Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Further, provided, that pursuant to Section 508(c) of the United States Internal Revenue Code of 1954 (as amended by the Tax Reform Act of 1969), the Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject the Corporation to tax under Section 4942 of the United States Internal Revenue Code of 1954 (as amended by the Tax Reform Act of 1969); nor shall the Corporation engage in any act of self-dealing (as defined in I.R.C., Section 4941(d), retain any excess business holdings (as defined in I.R.C., Section 4943(c)), make any investments in such manner as to subject the Foundation to tax under I.R.C., Section 4944, or make any taxable expenditures (as defined in I.R.C., Section 4945(d)).

Notwithstanding any of the above statements of purposes and powers, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Corporation.

**THIRD:** The Corporation is organized pursuant to the General Non-profit Corporation Law of the State of California. The Corporation shall have no authority to issue capital stock in any form or description. No part of the funds or net earnings of the Corporation shall inure to the benefit of any member, Director or officer of the Corporation, or private shareholder or individual, except that any person shall be entitled to reasonable compensation for services rendered in effecting one or more of its corporate purposes.

**FOURTH:** The county in the State of California where the principal office for the transaction of the business of the Corporation is located is San Francisco County.

**FIFTH:** The property of the Corporation is irrevocably dedicated to charitable and educational purposes and no part of the net income or assets of the Corporation shall ever inure to the benefit of any Director, officer or member thereof or to the benefit of any private persons. Upon the dissolution of winding up of the Corporation, its assets remaining after payment of, as provision for payment, of all debts and liabilities of the Corporation, shall be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for educational, charitable, scientific or literary purposes and shall at the time qualify as an exempt organization under Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding version of any future United States Internal Revenue Law) as the Board of Directors shall determine. Such educational, charitable, scientific and literary purposes are limited to those meeting the requirements for a welfare exemption under Section 214 of the California Revenue and Taxation Code. Any assets not so disposed of shall be disposed of in such manner as may be directed by decree of superior court of the county in which the Corporation has its principal office, upon petition, therefore, by the Attorney General or by any person concerned in the liquidation of the Corporation in a proceeding to which the Attorney General is a party.

**SIXTH:** Notwithstanding any provision of these Articles of Incorporation, no substantial part of the activities of the Corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation and the Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

**SEVENTH:** The Corporation is to have perpetual existence.

**EIGHTH:** The authorized number of Directors may be determined by the Bylaws, but in any case such number shall never be less than three (3). The names and addresses of the persons who are to act as Directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
_____	_____
_____	_____
_____	_____

The authorized number of Directors may be increased or decreased from time to time by amendment of the Bylaws adopted by the affirmative vote of a majority of the members present and voting at a meeting of the members at which a quorum is present.

**NINTH:** The business and affairs of the Corporation shall be managed by a Board of Directors which shall be constituted and have such powers as provided in the bylaws. The Board of Directors of the Corporation shall have power to make, alter or repeal such bylaws as it may deem necessary or proper for the management of the business and affairs of the Corporation, not inconsistent with the laws of the State of California, for the purposes of the Corporation as specified in these Articles of Incorporation.

**TENTH:** The persons at any time constituting the Board of Directors shall be the only members of the Corporation and shall exercise all rights, powers and duties of the members. Whenever a person ceases to be a Director he or she shall at the same time cease to be a member of the Corporation. Members and Directors shall not be personally liable for the debts, liabilities or obligations of the Corporation. The qualifications, terms of office, manner of election and rights and duties of Directors and members shall be prescribed by the Bylaws of the Corporation.

IN WITNESS WHEREOF, the undersigned, being all the persons names above as first Directors, have executed these Articles of Incorporation on January 10, 1972.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF CALIFORNIA) ss.  
COUNTY OF SAN FRANCISCO)

On this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_, before me, the undersigned a Notary Public in and for said County and State, appeared \_\_\_\_\_, known to me to be the persons whose names are subscribed to within the instrument and acknowledged that they executed the same.

\_\_\_\_\_  
Notary Public in and for said County and State

NOTE — This document is a suggested draft only and should be carefully reviewed with an attorney. It should be noted that many states have varying requirements for articles of incorporation.

BY-LAWS OF THE MINNESOTA  
ACCOUNTING AID SOCIETY, INC.

ARTICLE I - MEMBERSHIP

1) Composition

The Membership of the Corporation shall consist of not less than fifteen nor more than twenty-five persons each of whom must be at least twenty-one years of age. A majority of the Members must be members of the accounting profession and at least one-third of the Membership must be comprised of individuals representative of persons eligible to be recipients of the services provided by the Corporation. There shall be one class of Members with equal voting and other rights.

2) Election

Subject to the requirements of paragraph 1 of this Article, the Membership of the Corporation shall be elected initially by the Incorporators at the first meeting of the Corporation and, thereafter, the Membership for each succeeding year shall be elected by the Members at their Annual Meeting. No person shall be denied Membership because of considerations of race, creed, color, sex or ethnic origin.

3) Term

Members shall be elected for a term of one year, which shall coincide with the fiscal year of the Corporation, or until their successors are elected



and qualified. Membership shall cease at the expiration of its term and Membership in the corporation or any rights or privileges of Membership shall be non-transferable.

4) Vacancies

In the event that a vacancy occurs in the Membership, the remaining Members may fill the vacancy for the remainder of the term thereof at any meeting of the Members or of the Board of Directors, providing that the Notice for such meeting expressly indicate such purpose.

5) Annual Meeting

The Members shall hold an annual meeting on or about the commencement of the fiscal year of the corporation at the Registered Office of the Corporation or any other place in the State of Minnesota to elect the Membership for the following year and to transact any other business of the Membership.

6) Special Meetings

Special meetings of the Membership may be called at any time, for any purpose, by the President, or any three or more Members. Special meetings must be held at the Registered Office of the Corporation or within a radius of fifty miles therefrom unless some other place be consented to in writing by a majority of the Members entitled to vote at such meeting at least ten days before the date fixed for the meeting.

7) Calling of Special Meetings

A person or persons entitled to call a Special Meeting may make a written request to the President or Secretary to call the meeting. Such officer

shall give Notice of the meeting to be held between ten and thirty days after receiving the request. If the Officer fails to give Notice of the meeting within seven days from the day on which the request was made, the person who requested the meeting may fix the time and place of meeting, subject to subsection 6 above, and shall give Notice.

## ARTICLE II - BOARD OF DIRECTORS

### 1) Composition

The Members of the Corporation shall be and constitute the Board of Directors pursuant to the authority conferred by M.S.A. Section 317.20, subd. 7, para. (2).

### 2) Duties

The Board shall develop, adopt and implement a program for the delivery of accounting services to the poor and to otherwise effectuate the purposes of the Corporation, setting such standards and adopting such policies, from time to time, as may be appropriate to this end; and shall be responsible for the general management of the business of the Corporation.

### 3) Elect Officers

The Board shall annually elect the Officers of the Corporation who shall serve at the pleasure of the Board.

### 4) Executive Committee

The Board shall establish an Executive Committee consisting of the President and two other Directors. The Executive Committee shall have the authority

of the Board to manage the affairs of the Corporation during the interval between meetings of the Board and shall at all times be subject to the direction and control of the Board.

5) Committees

The Board may establish from time to time such ad hoc and/or standing committees as may be considered appropriate.

6) Executive Director

The Board may employ an Executive Director, who must be a qualified accountant, to implement its program. The Executive Director may, within budgeting and program limitations prescribed by the Board, employ such other professional and/or non-professional personnel as may be required to implement the program and he shall submit to the Board at least annually such reports, proposed budgets and other information and documents as the Board may require to enable it to evaluate the program and plan for the future. He shall supervise the staff and shall be responsible to the Board for the professional practice of the office.

7) Meetings

Meetings of the Board may be held from time to time according to such schedule as the Board may establish. Meetings must be held at the Registered Office of the Corporation or within a fifty mile radius therefrom unless otherwise approved by a majority of the entire Board. Notice shall be given of every meeting. An act of a majority of the Directors present at a meeting at which a quorum is present is the act of the Board.

8) Removal

An absolute majority of the Membership may remove any director from office, with or without cause, at the Annual Meeting or any Special Meeting of the Membership providing that the Notice of said meeting expressly state such purpose.

9) Vacancies

Should a vacancy occur on the Board for any reason, the remaining Directors may fill such vacancy for the remainder of the term thereof.

10) Board Action Without Meeting

Any action that could be taken at a meeting of the Board may be taken without a meeting when authorized in writing signed by all of the Directors.

ARTICLE III - OFFICERS

1) Composition and Election

The Officers of the Corporation shall consist of a President, Vice President, Secretary and Treasurer to be elected annually by the Board of Directors.

The Board may create such additional Vice Presidents or other Officers as it may deem appropriate from time to time. No person may be an Officer who is not also a Director.

2) President

The President shall be the chief executive officer of the Corporation, shall preside at meetings of the Board, shall be chairman of the Executive Committee,

and shall perform such other duties as may be assigned to him by the Board.

3) Vice President

The Vice President shall act in place of the President when the President is unable to act and shall perform such other duties as may be assigned to him by the Board.

4) Secretary

The Secretary shall keep minutes of meetings of the Board and the Membership, shall give timely notice of all meetings, maintain the corporate records, keep the corporate seal and shall perform such other duties as may be assigned to him by the Board.

5) Treasurer

The Treasurer shall be responsible for the financial affairs of the Corporation, shall report at least annually to the Board and shall perform such other duties as may be assigned to him by the Board.

ARTICLE IV - PROFESSIONAL STANDARDS

Neither the Corporation nor any Member or Director, as such, shall perform any accounting services for clients of the Accounting Aid Society. Delivery of accounting services, pursuant to the program adopted by the Board, shall be implemented by professional staff employed for that purpose in conjunction with such volunteer services as may be available.

All client services performed by employees of the Corporation shall be in accordance with generally accepted accounting principles and standards of professional conduct. The Board may adopt, from time to time, such standards, rules and policies as may be appropriate to this end. Minimally, the following statement of policy shall apply:

An accountant shall at all times maintain independence of thought and action, hold the affairs of his clients in strict confidence, strive continuously to improve his professional skills, observe generally accepted auditing standards, promote sound and informative financial reporting, uphold the dignity and honor of the accounting profession and maintain high standards of personal conduct.

No accountant engaged in performing accounting services for a client of the Accounting Aid Society shall be required to do or refrain from doing any act the doing or refraining from doing of which would be in violation of these Professional Standards.

#### ARTICLE V - QUORUM, VOTING, AMENDMENTS

1) Quorum

One-third of the Members or Directors shall constitute a quorum at any meeting of the Membership or Board of Directors. Any two members of the Executive Committee shall constitute a quorum of that Committee.

2) Voting

Each Member or Director present and voting at any meeting of the Membership, the Board of Directors or the Executive Committee shall have the right to exercise one vote. No proxies shall be permitted and cumulative voting shall not apply in any proceedings of the Corporation. A majority of votes cast shall be determinative of any issue except that in the case of Amendments to the Articles of Incorporation or to these By-Laws, Subdivision 3 hereof shall be controlling.

3) Amendments of Articles or By-Laws

The Articles of Incorporation or these By-Laws may be amended at any meeting of the Membership provided that the Notice of the meeting expressly state such purpose, setting forth the text of any proposed amendment(s). Any Member may propose an amendment for consideration at the Annual Meeting by submitting a copy of the text of such amendment to the Secretary no later than three business days prior to the last day upon which Notice of the meeting may be timely mailed. Additionally, if the proposed amendment is to be considered at a Special Meeting of the Membership, the requirements of Article I, Subdivision 4, hereof pertaining to the calling of Special Meetings must be satisfied.

The vote of two-thirds of the Members present and voting at such meeting shall be required to adopt an amendment except that no amendment shall be considered adopted which has not received the affirmative vote of at least an absolute majority of the Membership.

ARTICLE VI - MISCELLANEOUS PROVISIONS

1) Notice

Notice must be given of every meeting of the Membership or the Board of Directors. Notice means a written notification of a meeting

- a) stating the time, place and, in the case of a Special Meeting, the purpose of the meeting,
- b) properly addressed according to last available corporate records,
- c) mailed or delivered by a duly authorized person to each Member or Director entitled to vote at the meeting not less than five nor more than thirty days before the meeting excluding the day of the meeting.

2) Waiver of Notice

A Member or Director may make written waiver of Notice before, at or after a meeting. The waiver shall be filed with the person who has been designated to act as secretary of the meeting who shall enter it upon the minutes.

Appearance at a meeting constitutes a waiver of Notice unless said appearance is solely for the purpose of asserting the illegality of the meeting.





## APPLYING FOR RECOGNITION OF EXEMPTION

- A. How to apply for recognition of exemption for an organization—IRS Publication 557.
  - 1. Page 5—Who doesn't have to file.
  - 2. Page 8—Sample Articles of Incorporation.
  - 3. Page 25—Summary of code sections and application and annual forms to file.
  
- B. Application Form.
  - 1. 1023 or 1024 Package.
  - 2. Be sure to use current form.
  - 3. Answer every question completely.
  
- C. Possible Attachments to Form 1023.
  - 1. SS-4—Application for Employer Identification Number.
  - 2. Form 2848—Power of Attorney.
  - 3. Articles of Incorporation.
  - 4. Bylaws.
  - 5. Affidavit.
  - 6. Sample of solicitations for members or contributions.
  - 7. If new entity, budgets for two years.
  
- D. Mailing Procedure.
  - 1. Send registered mail return receipt requested.
  - 2. Expect requests for additional information.



## LICENSING WITH STATE BOARDS OF ACCOUNTANCY

### BACKGROUND

1. The laws and regulations establishing state boards of accountancy differ from state to state.
2. All of them regulate and license accountants.
3. Few or none contemplate non-profit accounting organizations.
4. They may have no legal authority over non-profit accounting organizations.
5. Therefore, there may be a legal conflict between that absence of authority and their responsibility to regulate accountancy in general.

### SUGGESTED ACTIONS

1. Get a lawyer. (A volunteer if possible.)
2. Examine your state board's definition of "accountancy."
3. Contact the board and let them know who you are and what you are doing.
4. Carefully consider whether or not you should apply for an exemption from the licensing requirements.
5. You may wish to seek legislative resolution to the conflict mentioned above. Be sure to look into the potential political problems concerning your state society's attitude towards such legislative action.
6. To avoid being considered as practicing "accounting," try to focus on the referral or broker role for direct assistance programs (for those organizations involved in such programs). Stress that you do not perform audits or prepare traditional financial statements or perform other work commonly conducted by commercial CPA firms.

### OTHER POINTS TO WATCH FOR

1. Your state board may ask you to limit membership on your board of directors to licensees only.
2. The question of fees is likely to come up. Be prepared to answer whether or not you have intentions to seek or accept fees now or in the future.
3. Draw the parallel between public interest accounting and public interest law. To our knowledge, no public interest law firms are licensed by the state bar associations because of the non-profit nature of their activities and the operational control maintained by licensed attorneys.



Source: API National

GUIDELINES FOR BOARD DEVELOPMENT

- A. Board members should understand that they are legally responsible for all activities of the organization, including:
  - 1. Reports
  - 2. Finances
  - 3. Ethics, publicity, etc.
- B. Board members should be active participants (however, there may be room for one or two persons of great stature in the community who may be considered as "honorary" board members)
  - 1. Board members should be expected to attend meetings
  - 2. Board members should be expected to participate actively on one or more committees
- C. Fund-raising assistance
  - 1. Personal contributions to the extent of ability to contribute
  - 2. Members should be expected to seek contributions from associates and friends
  - 3. Members should, if possible, assist in making contacts and meeting with local foundations
  - 4. Members should, if possible, assist in making contact with potential corporate donors.
- D. Participation on cases should be entirely optional for board members
- E. Each board member should be an active spokesman for the organization within the profession and the community
- F. Board members may be expected to speak on occasion to colleges, accounting organizations and community groups
- G. Board members should be watchful for potential cases

- H. Board members should be initiators of policy development and new directions for the organization and not merely reactors to suggestions by staff
- J. Consideration may be given to the establishment of an advisory board of distinguished accountants and other persons in the community



**THE ASSOCIATION  
PROFESSIONAL LIABILITY INSURANCE POLICY**

**FIRST STATE INSURANCE COMPANY**

*Wilmington, Delaware*

DECLARATIONS

NAMED INSURED:

ADDRESS OF INSURED:

EFFECTIVE DATE:

RETROACTIVE DATE:

LIABILITY LIMIT: \$1,000,000.00

ANNUAL PREMIUM:

POLICY NUMBER:

**SPECIMEN**

This Declaration Page together with the completed Application Form and the Policy shall constitute the contract between the Insured(s) and the Company.

Countersigned \_\_\_\_\_  
(Authorized Agent)





THE ASSOCIATION PROFESSIONAL LIABILITY INSURANCE POLICY

I. INSURING CLAUSE

In consideration of the payment of the premium and subject to all of the terms, conditions, and exclusions of this Policy, First State Insurance Company, hereafter referred to as "The Company" agrees:

- (a) with the Directors, Officers and Staff of the Association that, if during the policy period any claim or claims are made against any of the Directors, Officers and Staff for a Wrongful Act and/or Personal Injury or Publishers Liability, the Company shall indemnify such Directors, Officers and Staff for all loss which such Directors, Officers, and Staff shall become legally obligated to pay, except for such loss for which the Association shall indemnify such Directors, Officers, and Staff;
- (b) with the Association that, if during the policy period any claim or claims are made against any of the Directors, Officers and Staff of the Association for a Wrongful Act, the Company shall indemnify the Association for all loss which the Association may be required or permitted by law to indemnify such Directors, Officers, and Staff.

II. DEFINITIONS

- (a) "Association" shall mean:
  - (1) the Named Insured on the Declaration Page;
- (b) "Directors, Officers and Staff" shall mean:
  - (1) any persons who were, now are, or shall be Directors, Officers, and Staff of the Association including Executives, Board Members, Committee Members, and Staff Employees, whether salaried or not;
  - (2) the estates, heirs, legal representatives or assigns of deceased persons who were Directors, Officers and Staff of the Association;
  - (3) the legal representatives or assigns of Directors, Officers and Staff of the Association in the event of their incompetency, insolvency or bankruptcy.
- (c) "Wrongful Act" shall mean: any actual or alleged error or misstatement or misleading statement or act or omission or neglect or breach of duty by the Directors, Officers and Staff in the discharge of their duties, individually or collectively, or any other matter not excluded by the terms and conditions of this policy, or claims against them solely by reason of their being Directors, Officers and Staff of the Association.
- (d) "Loss" shall mean: any amount which the Directors, Officers and Staff are legally obligated to pay for which they are not indemnified by the Association, or for which the Association may be required to, or permitted by law to pay as indemnity to the Directors, Officers and Staff for a claim or claims made against them for Wrongful Acts, and shall include, but not be limited to, damages, judgments, settlements and costs, cost of investigation (excluding from such cost of investigation and defense, salaries of officers or employees of the Association), and amounts incurred in the defense of legal actions, claims or proceedings and appeals therefrom, cost of attachment or similar bonds; providing always, however, such subject of loss shall not include fines or penalties imposed by law, or matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed.

- (e) "Personal Injury" shall mean: all sums which the Insured shall become legally obligated to pay as damages because of injury (herein called "personal injury") sustained by any person or organization and arising out of one or more of the following offenses:
- (1) false arrest, wrongful detention or imprisonment, or malicious prosecution;
  - (2) the publication or utterance of a libel or slander or of other defamatory or disparaging material, or a publication or utterance in violation of an individual's right of privacy; except publications or utterances in the course of or related to advertising, broadcasting or telecasting activities conducted by or on behalf of the Named Insured;
  - (3) wrongful entry or eviction, or other invasion of the right of private occupancy;  
if such claims are made during the policy period within the United States of America, its territories or possessions, or Canada, and the Company shall have the right and duty to defend any suit against the insured seeking damages on account of such personal injury even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient.
  - (4) Personal Injury Exclusions - see Section III, part (m).
- (f) "Publishers Liability" shall mean: loss, on the account of Libel or the infringement of rights pertaining to or arising out of Privacy, Plagiarism, Piracy or Copyright, resulting directly from legal obligation of the Insured for damages on account of injury suffered by reason of the utterance or dissemination of matter published during the policy period.
- (1) Publishers Liability Exclusions - see Section III, part (n).
- (g) "Policy Year" shall mean: the period of one year following the effective date at 12:00 noon of this policy or any anniversary thereof, or if the time between the effective date or any anniversary and the termination of the policy is less than one year, such lesser period.
- (h) "Limits of Liability" shall mean: the amount shown under Liability Limit on the Declarations and shall be the maximum liability of the Company in each policy year (regardless of the time of payment by the Company).

### III. EXCLUSIONS

This insurance shall not indemnify the Insured in respect of any claim brought about by, arising out of, or attributable to, directly or indirectly through:

- (a) an Insured acting as a Director, Officer, Partner or Employee of any enterprise which is not the Named Insured;
- (b) any dishonest, fraudulent (except if not committed with actual intent to deceive or defraud), criminal, malicious or knowingly wrongful act, error or omission committed or alleged to have been committed by or at the direction of any Insured; however, notwithstanding the foregoing, the Insured shall be protected under the terms of this policy as to any claims upon which suit may be brought against them by reason of any alleged dishonesty on the part of the Insured, unless a judgment or other final adjudication thereof adverse to the Insured shall establish that acts of active and deliberate dishonesty committed by the Insured with actual dishonest purpose and intent were material to the cause of action so adjudicated.

- (c) bodily injury, sickness, disease or death of any person, including but not limited to, any obligation for which the Insured or its insurer may be or is liable under any Workmen's Compensation Law, Unemployment Compensation Law, Employers Liability Law, Disability Benefits Law, or under any other similar law or for any claim for damage to or destruction of any tangible property, including loss of use thereof;
- (d) punitive or exemplary damages or fines or penalties imposed by law;
- (e) the failure to purchase or maintain insurance or bonds required by law, or established by any regulatory body as a standard;
- (f) activities where the Insured acts in any capacity as an insurance agent, insurance broker, or insurance consultant;
- (g) any Insured gaining in fact any personal profit or advantage to which they were not legally entitled;
- (h) anti-trust, price fixing, or restraint of trade actions; however, notwithstanding the foregoing, the Insured shall be protected under the terms of this policy as to any claims upon which suit may be brought against them by reason of any alleged anti-trust price fixing or restraint of trade actions, on behalf of the Insured, unless a judgment or other final adjudication thereof adverse to such Insured shall establish that acts of anti-trust, price fixing or restraint of trade did in fact occur, in which event the Insured shall hold The Company harmless and reimburse them with respect to any costs, charges and/or expenses incurred in connection therewith;
- (i) loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this Exclusion shall not apply to liability for loss of or physical damage to or destruction of tangible property or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance;
- (j) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance;
- (k) Loss incurred by the Insured, from any claim made against the Insured during the Policy Period, by reason of any alleged failure to prudently act within the meaning of the Employee Retirement Income Security Act of 1974, in the Insured's capacity as a fiduciary of any pension or employee benefit plan or trust (other than a plan or trust sponsored or established by the Insured) for which the Insured provides investment advisory services.
  - (1) Loss incurred by the Insured, from any claim made against the Insured during the Policy Period, by reason of any alleged failure of a co-fiduciary or other person or firm not insured hereunder to prudently act within the meaning of the Employee Retirement Income Security Act of 1974, in the scope of their duties to any pension or employee benefit plan or trust (other than a plan or trust sponsored or established by the Insured) for which the Insured provides investment advisory services.
  - (2) This insurance shall not indemnify the Insured in respect of any claim brought about by the intentional failure of the Insured to act prudently, or for fines, penalties or punitive or exemplary damages assessed against the Insured.

- (1) for bodily injury, sickness, disease, or death of any person, or for damage to or destruction of any tangible including loss of use thereof;
- (m) Personal Injury Exclusions - This insurance does not apply to:
  - (1) liability assumed by the Insured under any contract or agreement;
  - (2) personal injury arising out of the willful violation of a penal statute or ordinance committed by or with the knowledge or consent of any Insured;
  - (3) personal injury arising out of any publication or utterance described in Definitions (e) (2) if the first injurious publication or utterance of the same or similar material by or on behalf of the Named Insured was made prior to the effective date of this insurance;
  - (4) personal injury arising out of a publication or utterance described in Definitions (e) (2) concerning any organization or business enterprise, or its products or services made by or at the direction of any Insured with knowledge of the falsity thereof.
- (n) Publishers Liability Exclusion - This insurance does not apply to:
  - (1) the printing of periodicals, advertising matter, or any and all jobs taken by the Insured to be printed for a third party, which periodical, advertising matter, or other printing is not a regular part of the Named Insured's own publication.
- (o) The wrongful act of any Insured shall not be imputed to any other Insured for the purpose of determining the application of the (above) Exclusions.

#### IV. INSURED'S CONSENT

The Company will not settle any claim without the consent of the Insured. If, however, the Insured shall refuse to consent to any settlement recommended by the Company, and shall elect to contest the claim or to continue any legal proceedings in connection with such a claim, then the Company's liability shall not exceed the amount for which the claim could have been so settled, plus claims expenses incurred up to the date of such refusal.

No costs, charges, or expenses shall be incurred, or settlements made, without the Company's consent, such consent not to be unreasonably withheld; however, in the event of such consent being given, the Company will pay, subject to the provisions of Clause V, such costs, settlements, charges or expenses.

#### V. NOTIFICATION

- (a) If during the policy period or extended discovery period:
  - (1) the Association or the Directors, Officers and Staff shall receive written or oral notice from any party that it is the intention of such party to hold the Directors, Officers and Staff, or any of them, responsible for a Wrongful Act, or
  - (2) the Association or the Directors, Officers and Staff shall become aware of any fact, circumstance or situation which may subsequently give rise to a claim being made against the Directors, Officers and Staff, or any of them, for a Wrongful Act;

and shall in either case during such period give written notice as soon as practicable to the Company of the receipt of such written or oral notice under Clause (1) or of such fact, circumstance or situation under Clause (2), then any claim, which may subsequently be made against the Directors, Officers, and Staff, arising out of such Wrongful Act shall for the purpose of this policy be treated as a claim made during the policy year in which such notice was given, or, if given during the extended discovery period, as a claim made during the last policy year.

(b) Notice of Claim or Suit - If claim is made or suit is brought against the Insured, the Insured shall promptly forward to the Company every demand, notice, summons or other process received by him or his representative.

(1) Assistance and Cooperation of the Insured - The Insured shall not be required to contest any legal proceedings unless counsel, to be mutually agreed upon by the Insured and the Company, shall advise that such claim should be contested.

Subject to the foregoing provision, the Insured shall cooperate with the Company and upon the Company's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits. The Insured shall not, except at his own cost, voluntarily make any payment assume any obligation or incur any expense.

(c) Action Against Company - No action shall lie against the Company unless, as a condition precedent thereto, the Insured shall have complied fully with all terms of this Policy, nor until the amount which the Insured shall be obligated to pay shall have been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recovery under this Policy in the same manner and to the same extent as the Insured. Nothing contained in this Policy shall give any person or organization any right to join the Company as a co-defendant in any action against the Insured to determine the Insured's liability. Bankruptcy or insolvency of the Insured or of the Insured's estate shall not relieve the Company of any of its obligations under this Policy.

(d) Notice to the Company provided for in this Paragraph V shall be given to Albert H. Wohlers & Co., 720 Garden Street, Park Ridge, Illinois 60068 and/or First State Insurance Company.

## VI. GENERAL CONDITIONS

(a) Warranty Clause:

It is warranted that the particulars and statements contained in the written proposal, copy of which is attached hereto, and the Declarations are the basis of this policy and are to be considered as incorporated in constituting part of this policy.

(b) Cancellation Clause:

This policy may be cancelled by the Association at any time by written notice to the Company or by surrender of this policy. If this policy shall be cancelled by the Association, the Company shall retain the customary short rate proportion of the premium hereon. This policy, or the Master Policy may also be cancelled by, or on behalf of, the Company by delivering to the Association or by mailing to the Association by registered, certified or other first class mail, at the Association's address shown in this policy, written notice stating when, not less than thirty (30) days thereafter, the cancellation shall become effective. The mailing of such notice as aforesaid shall be sufficient proof of notice, and this policy shall terminate at the date and hour specified in such notice. If this policy, or the Master Policy, shall be cancelled by or on behalf of the Company, the Company shall retain the pro rata proportion of the premium hereon. Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by law.

(c) Subrogation Clause:

In the event of any payment under this policy, the Company shall be subrogated to the extent of such payment to all rights of recovery therefore, and the Directors, Officers and Staff of the Association shall execute all papers required and shall do everything that may be necessary to secure such rights including the execution of such documents necessary to enable the Company effectively to bring suit in the name of the Directors, Officers or Staff of the Association.

(d) Association Authorization Clause:

By acceptance of this policy, the Association named in the Declarations agrees to act on behalf of all Directors, Officers and Staff with respect to the giving of all notice to the Company as required herein, the receiving of any return premiums that may become due under this policy; and the Directors, Officers and Staff agree that the Association shall act on their behalf.

(e) The Association and the Directors, Officers and Staff shall give the Company such information and cooperation as they may reasonably require.

(f) Other Insurance:

If at the time of loss or damage there is available to a named or unnamed Insured or any other interested party any other insurance which would apply in the absence of this policy, the insurance under this policy shall apply only as excess insurance over such other insurance.

(g) Conformity to Statute:

Terms of this policy which are in conflict with the statutes of the State wherein this policy is issued are hereby amended to conform to such statutes.

(h) 24 Month Discovery Period - No Additional Premium:

In the event of

(1) the expiration of this Insurance by reason of non-renewal, or

(2) the termination of this Insurance as provided,

then this Insurance shall extend, subject otherwise to its terms, limitations, exclusions and conditions, to apply to claims made against the Insured during the 24 calendar months following immediately upon such expiration or termination but only for claims committed or alleged to have been committed between the Retroactive Date and such expiration or termination.

If this Insurance is immediately succeeded by a similar Insurance on which the Retroactive Date is the same as that shown in the Declarations of this Insurance, the succeeding Insurance shall be deemed to be at renewal hereof and in consequence the aforementioned 24 calendar months extension shall not be operative. An increase in premium or a change in limits of liability by the Company shall not be construed as a refusal to renew the policy.

## OUTLINE OF BOARD OF DIRECTORS' PLANNING PROCESS

- I. President should appoint ad-hoc committee to develop a long-range plan.
  - A. It should consist of three to five persons including executive director.
  - B. Consideration should be given to retention of outside consultant to facilitate the process.
  - C. Committee should report to the full board.
  
- II. Involve your constituents (members and directors) at the beginning by sending questionnaire to determine their thoughts on:
  - A. Present program components.
  - B. Direction.
  - C. Where organization should be \_\_\_\_ years from now.
  - D. Sources of support.
  - E. Other thoughts or concerns – for example:
    1. Should we expand types of services?
    2. Relation with state society.
    3. Minimum or maximum case load.
    4. Staff versus volunteer casework.
  
- III. Committee should compile and analyze results of questionnaire, with particular note to:
  - A. Apparent consensus on specific points.
  - B. Suggestions which have not previously been considered.
  - C. Concerns expressed about present policies or directions.

(It is important to emphasize that it is the committee's responsibility to recommend a long-range plan of action, that some of the responses will be from persons with limited understanding of the program, and that each respondent's concerns cannot necessarily be dealt with.)
  
- IV. The committee should then reevaluate existing purpose statement (if one exists) or develop it.
  - A. The statement should be brief, concise and general.
  - B. It should lead to measurable and attainable objectives.
  - C. It should facilitate the logical flow of the elements of the long-range plan.
  
- V. Decisions should then be made on the length of the plan period. (Suggestion: minimum of three years and maximum of five years.)
  
- VI. The committee should then decide where it wants the organization to be at the end of the plan period. For example, volunteer hours, 3,000; budget, \$200,000, etc.
  
- VII. Only then should it examine the steps which must be taken by specific dates to reach those objectives within categories of effort which might include the following:
  - A. Organizational structure (including committees).
  - B. Board of director involvement.
  - C. Relationship with the profession (firms, individuals, state society, NAA, etc.).
  - D. Membership.
  - E. Public relations.
  - F. Staffing.
  - G. Funding (indicate desired balance of support from each source).
  
- VIII. Allow adequate time for the board to study and debate the committee's report.





**ACCOUNTANTS FOR THE PUBLIC INTEREST OF RHODE ISLAND, INC.**

**Goals for 1977**

- I. Board of Directors
  - a. Keep the two Public Interest Case Committees and the Executive Committee as strong and active as possible.
  - b. Expand Board in number to 28 by November 1977 including at least three persons representing the established accounting profession.
  - c. Create a fund-raising committee during March 1977.
- II. Volunteers
  - a. Create a reservoir of at least 50 volunteers by the end of 1977 of which about half would be students.
- III. Staff
  - a. Be in position to pay the executive director on a full-time basis as of June 30, 1977. Be able to have a part-time administrative assistant by June 30, 1977.
  - b. Make sure that balance between duties of Board – staff – volunteers is constantly maintained.
- IV. Funding
  - a. Be in a position to open an office outside of executive director's home by January 1, 1978 staffed by the director and a full-time administrative assistant.
- V. Public Interest Cases
  - a. Accept at least eight public interest cases in Southeastern New England and complete work on five of them by the end of the year.
  - b. Participate in two National Case Projects.
  - c. Discuss and define procedures for adopting self initiated public interest cases to be initiated around June 30, 1978.
- VI. Community Assistance Cases
  - a. Accept at least 20 community assistance cases and complete work on 16 of them.
- VII. Service to areas other than Rhode Island
  - a. Develop strong working relationship with Massachusetts affiliate. Participate on joint case projects.
  - b. Expand services to Fall River – New Bedford area by Spring of 1978 including acquisition of Board members and volunteers from this area.
- VIII. Students
  - a. Commence speaking and recruiting for volunteer drives at the following universities and colleges in February 1977: Bryant College, Providence College, University of Rhode Island, Johnson and Wales, Roger Williams College, South Eastern Massachusetts University.
  - b. Develop academic relationships with the various university accounting departments so that APIRI volunteer activity can be obtained.

IX. Rhode Island Society of CPAs

- a. Work closely with Rhode Island Society during 1977 so they are constantly aware of the progress of our program through written correspondence and oral presentations.
- b. Be in a position to ask for and receive an endorsement for our program from the society by December 1977.

X. Local Accounting Firms (including Big 8)

- a. Keep local accounting firms, especially those with more than eight staff, continually aware of the progress of APIRI through personal contact and written correspondence.
- b. Begin to seek volunteers from local accounting firms especially from Big 8 firms where the possibility may exist for some pro bono time from their staff.
- c. Obtain the right to use the Accounting Libraries of at least three of the large firms.
- d. Begin soliciting contributions to the program from the established profession during the Spring 1977.

XI. Membership

- a. Executive Committee to discuss possible change to a membership organization and report recommendations to the Board by Fall 1977.

XII. Public Relations

- a. Organization to do at least two speaking engagements per month at colleges, accounting societies, PTAs, community organizations, professional organizations, citizens groups, etc. starting in February 1977.
- b. Maximize use of TV, radio and newspaper coverage.
- c. Develop fund-raising and organization brochure used in connection with Fund-Raising Campaign during Summer of 1977.
- d. Develop a bi-monthly newsletter; commence publication during October 1977.



## VI. RESOURCES

### A. SUMMARY

A formal plan should be developed as early as possible. It should identify the financial and other requirements of the proposed center. Potential contributors include accounting firms, foundations, United Way and government agencies.

### B. INITIAL FUNDING

A brief description of the project should be prepared setting forth the services to be provided, the need for them, the objectives and methodology of ARCs as well as a preliminary budget. If key personnel have been identified, their backgrounds should be included.

This description should eventually develop into a complete proposal detailing all the plans of the center, both short- and long-term. The proposal will serve as the basis for fund-raising activities. Sample proposals, for initial and permanent funding, are presented in the exhibits; these may be adapted for local use (see Exhibits VI.1, p. 105; VI.2, p. 107; VI.3, p. 121; and VI.4, p. 131).

Section VIII of this manual discusses the planning process in connection with administering the center's operations.

The proposal will have identified short-term and long-term requirements. The former must be addressed soon after the organization is formed; the latter usually entails complicated and lengthy procedures and may be addressed as the center develops. The best sources for initial "seed money" include:

1. local accounting firms;
2. state society of CPAs;
3. local foundations and corporations;
4. private individuals;
5. community organizations.

The previous section indicated the significant role the board of directors must play during the formative stages of the center. It is likely that substantial commitments of time, money and material will be required from them. However, their efforts should be concentrated on establishing goals, assessing needs and seeking from others the resources to satisfy these needs. The initial personal efforts of a few individuals should not be relied on for a long period of time.

It should be expected that contributions will at first be small sums of money and material. These can be of great value to the fledgling organization, particularly if they can be obtained without a detailed proposal and within a short period of time.

One way to enlist early support is to present the ARC idea at a small gathering of potential contributors. This may be followed by an informal campaign to collect a definite sum. When soliciting funds, it may be helpful to remember that:

1. a request in person is more productive than one by telephone or by mail;
2. attention should be focused on the services to be provided, not the financial needs;
3. solicitors should themselves have contributed before asking others to do so;
4. potential contributors should be selected with care to ensure efficient use of time;
5. a truthful, sincere approach is most effective.

Although it is unlikely that tax deductible status will have been granted by the IRS at this stage, it is well to inform contributors of the pending application. They should later be advised of the result of the application and their respective tax benefits.

#### C. LONG-TERM FUNDING

The sources of long-term funding include:

1. accounting firms;
2. foundations;
3. United Way;
4. corporations;
5. contracts with state and local governments;
6. government grants.

Since many of these funding sources have long application procedures, the board should plan far ahead of its needs. Articles and books are available on the subject and the executive director and some board members should become familiar with them. A list of potential sources of revenue has been included (see Exhibit VI.5, p. 149).

#### D. FACILITIES AND EQUIPMENT

Efforts should be made, within budgetary restrictions, to provide a comfortable work place for persons participating in the program. Office space, files and equipment should be selected which suitably represent the professional nature of the work involved. Meeting rooms, work areas for volunteers and interview areas for clients should be conducive to high professional standards and public respect.

Donations of equipment, supplies and, in some cases, office space may be solicited from:

1. accounting firms;
2. corporations;
3. municipal, government and departments;
4. merchant associations;
5. non-profit organizations.

In addition, community centers, community colleges and churches may provide facilities for seminars, courses, board meetings and even office space. They should be contacted early in the planning stage.





**TYPICAL ARC BUDGET**

<u>INCOME:</u>	<u>1st Year</u>	<u>2nd Year</u>
<u>CASH:</u>		
Foundation Grant No. 1	\$ 15,000	\$ 20,000
Foundation Grant No. 2	10,000	10,000
Community Organizations	500	1,000
Individual and Corporate Gifts	<u>4,500</u>	<u>7,000</u>
<b>TOTAL CASH</b>	<b>\$ 30,000</b>	<b>\$ 38,000</b>
 <u>IN KIND:</u>		
Volunteer Services (see below)	<u>80,000</u>	<u>120,000</u>
<b>TOTAL INCOME</b>	<b><u>\$110,000</u></b>	<b><u>\$158,000</u></b>
 <u>EXPENDITURES:</u>		
<u>CASH:</u>		
Executive Director	\$ 15,000	\$ 18,000
Secretary	4,000	8,000
Payroll taxes and benefits	1,900	2,600
Rent	2,400	2,400
Telephone	600	600
Travel	1,000	1,000
Office furniture and equipment	1,000	500
Office supplies and expense	1,200	1,200
Insurance	700	700
Community Relations	500	800
Miscellaneous	<u>600</u>	<u>1,000</u>
<b>TOTAL CASH</b>	<b>\$ 28,900</b>	<b>\$ 36,800</b>
 <u>IN KIND:</u>		
Volunteer Services		
1st year – 2,000 hours @ \$40/hour	\$ 80,000	
2nd year – 3,000 hours @ \$40/hour	<u>                    </u>	<u>\$120,000</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$108,900</u></b>	<b><u>\$156,800</u></b>

SOURCE: API-National



APIDC PROPOSAL

FOR \$2,500



ACCOUNTANTS FOR THE PUBLIC INTEREST

1714 MASSACHUSETTS AVENUE, N.W.

WASHINGTON, D. C. 20036

TELEPHONE, (202) 872-0310

September 1, 1976

Mr. Charles Glenn Ihrig  
Executive Director  
Public Welfare Foundation  
2600 Virginia Avenue, N.W.  
Washington, DC 20037

Dear Sir:

Accountants for the Public Interest of Washington, DC (APIDC) has been established as a non-profit corporation to provide a structure within the accounting profession through which active and retired accountants can volunteer their services in areas of broad public interest and concern.

APIDC provides investigative, non-advocative accounting analysis and interpretation, without fee, to organizations involved in public interest issues who cannot afford to pay for such services. Our task is to enable local community groups to cope with accounting data and terminology and the professional advice available to those who can afford to pay.

APIDC submits the enclosed proposal for \$2,500 and requests a personal interview to answer any questions you may have. I will call you within the next two weeks to seek a mutually convenient time.

Sincerely,

Thomas W. Morris, III  
Executive Director



ACCOUNTANTS FOR THE PUBLIC INTEREST

1714 MASSACHUSETTS AVENUE, N.W.

WASHINGTON, D. C. 20036

TELEPHONE, (202) 872-0310

GRANT REQUEST FOR ACCOUNTANTS FOR THE  
PUBLIC INTEREST OF WASHINGTON, D.C.

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Attachments:

Public Issue Case Selection Criteria

Requirements for Letter of Request for Services from 501 (c) (3)  
Client to API

Model Engagement Letter from API to 501 (c) (3) Client

APIDC 501 (c) (3) Determination Letter

Membership Brochure

Information Sheet for Prospective Accounting Volunteers

APIDC Financial Statement

List of Board of Directors

Biography of Executive Director





INTRODUCTION

In the last few years, the tactics and techniques of civil rights, environmentalist, and equal employment opportunity efforts have begun to spread to local neighborhood, consumer, and non-profit groups who wrestle with public issues such as health care costs, school financing, income maintenance for the elderly, and utility rate regulations.

But the complex financial elements of such public issues must be analyzed, interpreted, and understood if local groups are to deal with them effectively. Until recently, the services and expertise of the one profession most qualified to deal in such financial areas, the accounting profession, have been limited almost exclusively to government, business, and private organizations well-financed enough to pay for those services.



HISTORY OF ACCOUNTANTS FOR THE PUBLIC INTEREST (API)

Four years ago Accountants for the Public Interest was formed in San Francisco. It was the first non-profit organization in the country to provide accounting counsel, without fee, to other non-profit organizations involved in public issues. Its incorporators were individual accountants and educators committed to utilizing their talent, education and experience in public service to those who had little or no access to professional accounting advice and independent, objective data analysis.

Since the formation of the San Francisco API, similar non-profit groups have been formed in 12 major cities across the country including Boston, Providence, New York, Newark, Philadelphia, Detroit and Washington, D.C. A sampling of cases accepted by these local API's include:

- \* A class-action suit under the Truth in Lending Act.
- \* An analysis of the need for a rent increase at a federally-subsidized housing project for senior citizens.
- \* An analysis of the rate-setting implications for utilities of alternative accounting procedures.
- \* A study of the misuse of personal care allowances provided to publically-aided persons who are institutionalized.
- \* A study of the audits of state government agencies and activities which are financed by the state.
- \* An analysis of the adequacy of reimbursement rates for nursing homes.

Accountants for the Public Interest of Washington, D.C. was organized as a tax-exempt 501 (c) (3) corporation by individual accountants who work and reside in the District. Its purposes are:

- \* to provide volunteer assistance from professional accountants to civic-minded publics by providing investigative, non-advocative accounting reports and counsel, without fee, to non-profit organizations which could not afford to pay for such services, and
- \* to make our purpose and activities known to the accounting profession and to the general public.

Control of APIDC is vested in a local board of directors (list included in appendix).

Essentially, our role is to enable client groups, usually community, legal service, consumer, and other non-profit organizations to cope with financial data and terminology on the same level as opposing parties who can afford the services of professional accountants and financial consultants. When appropriate APIDC will provide expert testimony to courts, legislative committees, or regulatory agencies.

Accountants for the Public Interest does not advocate for any particular issues itself. If it did, its reputation as an objective organization would be jeopardized with the accounting profession which insists on objectivity and independence; API exists within the framework of the accounting profession in terms of ethics, professional standards, and quality control (see appendix for sample case criteria and engagement letter). Rather, API seeks to open the negotiating process which is essential to a democracy, so all interested publics can adequately present their interest.

#### COMMUNITY NEED

Perhaps no other city in the nation is more in need of Accountants for the Public Interest than Washington, D.C. with its on-going challenges of achieving home rule and equal representation. Nor does any other city offer such a rich source of accounting volunteers to draw on as does the District, home of the IRS and GAO, as well as the major accounting firms and independent accountants found in cities nationwide.

APIDC is the first and only organization in the Washington, D.C. area providing in-depth, pro bono accounting services for public interest issues.

We do not provide traditional accounting services such as bookkeeping or tax preparation for client organizations' internal management. However, the Community Management Center is developing such a program and APIDC and CMC are coordinating services to avoid duplication of efforts. In addition, APIDC is in contact with other Washington area programs which provide traditional accounting services (e.g. tax preparation for the poor, internal accounting and management assistance for non-profits and minority businesses) to whom referrals can be made for such requests.

APIDC has been in communication with many potential client organizations to outline services APIDC can provide and to discuss potential public issue cases, including:

- Adams Morgan Organization
- Associates for Renewal in Education
- Center for Community Change
- Community Support Center
- Council for Public Interest Law
- D.C. City Council Finance Committee
- D.C. Government Neighborhood Advisory Commissions
- Legal Services Corporation
- Mental Health Law Project

National Coalition for Children  
National School Volunteer Association  
Tax Analysts and Advocates  
Tax Reform Research Project  
Washington PIRG (Public Interest Research Group)  
Washington Preschools  
Washington Urban League  
Youth Alternatives

Many of these organizations are enthusiastic about using the services of API and have requested followup meetings after discussions with staff members and sister organizations. One program director remarked, "What you offer is tremendous; we hadn't thought of seeking such service before because we wouldn't have known where to look for it." We have stressed that APIDC is primarily interested in working on local, District-related public interest issues.

Meetings are being arranged with people in other District organizations concerned with housing, education, public interest law, youth, senior citizens, mental health, utility rates, and increasing citizen input to government programs.

CURRENT AND PROPOSED BUDGET

Utilizing the \$5,000 grant from the National Association of Accountants for the Public Interest, APIDC has hired a part-time executive director to:

- \* expand the volunteer base of APIDC
- \* identify potential public issue cases
- \* develop and implement a funding strategy for 1977

Our current monthly expenses are:

Executive Director (part-time)	\$ 900
Office, phone, secretarial assistance (subleased from the Public Interest Economic Center)	150
Local travel, expenses	50
	<hr/>
TOTAL	\$1100

Our proposed first-year budget and sources of expected income are listed on the next two pages.

1977 BUDGET

CASH:

Salaries:	
Executive Director(3/5 time)	\$ 12,000
Secretary (1/2 time)	4,500
Payroll Taxes	1,650
Rent	2,400
Office equipment and supplies	1,200
Telephone	750
Travel	<u>500</u>
Total	\$23,000

IN-KIND:

30 volunteers at an average of 5 hours a month= 150  
hours a month or 1800 hours per year at average rate  
of \$30 per hour \$54,000

Total \$77,000

TM/cgw  
9/1/76

REQUESTED/ANTICIPATED INCOME for 1977

Washington Foundations:

Strong	\$ 2,500
Meyer	2,500
Cafritz	2,500
Public Welfare	2,500
Others	2,000

Accounting Profession:

Accounting firms	2,500
Individual accountants and other individuals (membership in NAAPI @ \$15; 1/2 to NAPPI, 1/2 to APIDC)	500

Participation in national research/ case grants through NAAPI	2,000
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Local fundraiser	500
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Individual donations	500
----------------------	-----

NAAPI matching funds (from Ford, Rockefeller, New World Foundations; to match second \$5,000 raised locally)	<u>5,000</u>
--	--------------

TOTAL	\$23,000
-------	----------

We anticipate a part-time director and part-time secretary/office administrator will fill our needs through the first year of operation. During that time we will seek to develop student staff positions and loaned executive time to handle what we anticipate will be an increasing workload as APIDC's services become known and used by local organizations.

APIDC anticipates long range funding to come from:

- \* membership dues from individual accountants
- \* donations from corporations and accounting firms in the Washington area (API groups in other cities are beginning to receive such donations from firms in their areas)
- \* "pool" funds generated from national foundations by the National Association of Accountants for the Public Interest

#### GRANT REQUEST

Accountants for the Public Interest of Washington, DC, requests a grant of \$2,500.

The board and staff of APIDC believe this program can make a significant contribution to the people and progress of the District of Columbia, not only through direct, tangible services provided, but also through the increased awareness generated by cooperation between the community and corporate sectors of our city. We hope you will be able to grant APIDC's request of \$2,500 so we can provide a structure within the accounting profession through which active and retired accountants can volunteer in areas of broad public interest and concern.



SAN FRANCISCO API PROPOSAL  
FOR \$15,000



# ACCOUNTANTS FOR THE PUBLIC INTEREST

(A NON-PROFIT CALIFORNIA CORPORATION)

351 CALIFORNIA STREET, 15TH FLOOR  
SAN FRANCISCO, CALIFORNIA 94104  
TELEPHONE (415) 955-3222

August 24, 1976

## BOARD OF DIRECTORS

- Charles A. Adams, CPA
- Ross L. Arrington, CPA
- \*Elliott Buchdrucker, CPA
- \*Gregoire A. Calegari, CPA  
Secretary
- \*Esmond Coleman, CPA
- Michael Coppersmith, CPA
- Peter Ehrlich, CPA
- Orlene M. Grablin, CPA
- Jackson Hill, CPA
- \*J. Evert Kraai, CPA
- Marc Lumer, CPA
- Maurice Moonitz, Ph.D., CPA
- Carl G. Orne, CPA
- \*Melvin Pincus, CPA  
Vice President
- Lee Schultz, CPA
- Paul F. Schwaighart, CPA
- Wylie R. Sheldon, Esq.
- \*Walter R. Tick, CPA  
President
- \*Richard Tremelling  
Treasurer
- O. Paul Webb, CPA
- Howard J. Welland, CPA
- David Weiner, Ph.D., CPA

## \*Executive Committee

- S\* =
- Virginia L. Hubbell  
Executive Director
- Pat Dement Fong  
Administrative Assistant

Mr. Walter J. Haas  
Executive Director  
Evelyn & Walter Haas, Jr. Fund  
Two Embarcadero Center  
San Francisco, California 94111

Dear Mr. Haas:

On behalf of the Board of Directors of Accountants for the Public Interest, I submit to the Evelyn & Walter Haas, Jr. Fund, a proposal for \$15,000 for the purpose of assisting us to bring accounting counsel and advice to worthy local non-profit groups concerned with public issues.

For the past five years, Accountants for the Public Interest has been engaged in numerous projects of keen interest and benefit to the public at large. Besides our work in the areas of housing, aging, municipal finance, etc., a great deal of our energies are directed toward providing professional accounting expertise in the area of health care. One of our volunteers, Esmond Coleman, is known nationally for his work in the area of hospital compliance with the federal Hill-Burton regulations that provide for free and below-cost care for the poor.

API is a cost-effective program, offering thousands of dollars worth of CPA time to the community. The accounting profession welcomes the opportunity that API provides to volunteer their professional services in public issues for the betterment of the community at large.

We appreciate your interest in our organization, and your consideration of this grant request.

Yours truly,



Walter R. Tick  
President

WRT/pf  
encls.



# ACCOUNTANTS FOR THE PUBLIC INTEREST

(A NON-PROFIT CALIFORNIA CORPORATION)

351 CALIFORNIA STREET, 15TH FLOOR  
SAN FRANCISCO, CALIFORNIA 94104  
TELEPHONE (415) 958-3222

August 24, 1976

## BOARD OF DIRECTORS

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Treasurer  
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David Weiner, Ph.D., CPA

## \*Executive Committee

S F

\*Virginia L. Hubbell  
Executive Director  
Pat Dement Fong  
Administrative Assistant

Mr. Walter J. Haas  
Executive Director  
Evelyn & Walter Haas, Jr. Fund  
Two Embarcadero Center  
San Francisco, California 94111

Dear Mr. Haas:

Accountants for the Public Interest requests a grant of \$15,000 from the Evelyn & Walter Haas, Jr. Fund, for the purpose of providing objective accounting counsel, financial information and education about fiscal matters exclusively to non-profit community organizations that cannot afford to pay for these services.

There are many citizens groups in our communities that are concerned about public issues. Some are dealing with the quality of the environment. Others are concerned with mental health, campaign funds in local elections, transportation systems, the "lock-out" of Medicare patients in nursing homes, hospital closures affecting indigent patients, child care, prison reform, or juvenile delinquency prevention programs in their communities.

API only works with responsible citizens groups that have demonstrated that they are motivated, competent and committed to the issues. All too often they have the enthusiasm, but lack the necessary background, knowledge and access to fiscal information. Many times, it is the fiscal implications of a public issue that determine its outcome. Until now, most non-profit citizens groups have been unable to present substantiated fiscal information because they could not afford to pay for the accounting counsel and expertise they need.

API, a 501(c)3 organization, was formed five years ago to help fill this need. API's program consists of three components: Consultive fiscal analysis of an unbiased nature in public interest issues such as health care, environment, municipal finance, housing, aging, corrections, child care, etc. A more detailed description of this kind of activity is included on page 2 of this proposal. The second component consists of education projects for community groups who desire to more completely understand the financial aspects surrounding the issues of their particular concern. See the attachments for an example of an education project that involved teaching PTA members about the finances and budget of the San Francisco Unified School

District. The third component is technical assistance and educational seminars for non-profit organizations that want to become more fiscally accountable within their own organizations.

We are especially interested in pointing out the ripple effect, and impacts, of the fiscal aspects of public issues on the public at large. Our organization acts as a neutral body, independent of either side of the concern. We objectively analyze the data, and publicly release our findings. API's aim is to increase fiscal accountability, on all sides.

All work is provided without fee by professional accountants who volunteer their expertise in analyzing public issues, consulting with community groups, and conducting education sessions in which citizens learn how to interpret financial information.

Recently we have increased the number of volunteers to more than 145. As the nation's first public interest accounting organization, API devotes much effort to actively promoting an understanding within the accounting profession of the problems and needs of local communities. Currently, 12 sister organizations in other cities have been organized by our national organization, and over 500 other accountants nationally are involved in their communities.

API has provided reports, consultation or testimony in 70 issues of concern to the public, issued 37 reports, and has offered additional assistance to several hundred community organizations. Thousands of hours of free CPA time have been offered. We have a thoroughly established track record. Of the broad range of projects we have completed, the following will serve as examples of our work:

One of the most significant cases handled to date was initiated by the National Health and Environmental Law Project which asked Accountants for the Public Interest to assist them in their efforts to assure that free or below-cost care be provided for the poor as provided by the federal government in the Hill-Burton Act. This case involved the question of whether it was financially feasible for several hospitals to provide care to the poor in return for federal funds granted to those hospitals. API's analysis was used by the non-profit organization to convince the federal district court judge that it was feasible. As a result, \$983,000 worth of critically needed care for the poor was stipulated in the settlement for that year, in accordance with public policy and law. Our work in this area has had extensive impact on a national basis. At present, many states are reviewing hospital misuse of these federal monies. API has repeatedly been asked to lend its expertise in this area.

An excellent example of API's independence and objectivity involved a request by a group of citizens concerned with keeping lands in open space rather than developing them. The Marin Conservation League asked API to estimate the effect a proposed \$1 million bond issue for open

space acquisition would have on property tax rates in the town of Corte Madera. We also estimated the effect on the tax rates if the land were privately developed according to current plans and zoning limitations. To the group's consternation, API's report concluded that, in that situation, passage of the bond issue would increase property tax rates, whereas development would make a decrease possible. Our findings were published in a local newspaper, and the bond issue failed.

Included in the Attachments is a more complete list of other projects API has worked on.

API functions as an organizer and coordinator of volunteer efforts. We maintain an office in downtown San Francisco that serves all of Northern California and acts as a consultant to other areas when needed, as well. The organization is funded by contributions from the accountants themselves, from interested private individuals, and by grants from foundations and corporations. We continue to allocate a substantial proportion of time and overhead to ongoing quality control and program evaluation. All projects are overseen by a professional volunteer administrator and experienced supervising CPAs. We pride ourselves not only on providing high quality professional services to those who would otherwise not receive them, but we feel this must be done on an efficient and cost-effective basis.

API is interested in doing its part to make our communities a better place to live. Please contact me if I may offer additional information. Esmond Coleman, API volunteer, or members of our Board of Directors will also be happy to answer your questions.

Thank you very much for considering Accountants for the Public Interest.

Sincerely,



Virginia Hubbell  
Executive Director

VH/pf  
encls.





ATTACHMENTS

- A. API Board of Directors List
- B. Financial Information
  - 1. API Budget, Fiscal Year 1977
  - 2. API Financial Statement, July 1, 1975 - March 31, 1976
  - 3. Sources of Funds, Inception - 1976
  - 4. Fundraising Plan, 1976 - 1979
- C. Examples of Consultive Fiscal Analysis Projects Regarding Public Issues
- D. Letters of Support for Various Projects
  - 1. Director of Public Health, City and County of San Francisco
  - 2. Leo McCarthy, Speaker of the Assembly, California Legislature
- E. Letter Describing Fiscal Education Project (Parent Teachers Association/  
School District Finances)
- F. API Fact Sheet and Brochure
- G. Exhibits of Tax Exempt Status
  - 1. Federal Tax Exemption
  - 2. State Tax Exemption



PROPOSAL FOR ESTABLISHMENT  
OF  
THE ACCOUNTING AID SOCIETY OF METROPOLITAN DETROIT  
APRIL 1972



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## I. WHAT WILL THE ACCOUNTING AID SOCIETY BE?

In concept, The Accounting Aid Society will be an organized community effort, composed of the business and educational sectors, designed to offer free financial assistance to Metropolitan Detroit area citizens and organizations who are unable to pay for it.

The benefits to be derived from the institution are threefold. First, and most importantly, are the benefits to be received from the people who will be helped by the AAS. Secondly, the AAS will afford the Detroit area accountants and financial executives the opportunity to use their skills to a social advantage. Finally, the AAS will give the accounting students of our local universities an opportunity to receive real-life experience in using the tools which they are acquiring in the classroom. In short, the AAS will act as a funnel in directing the socially minded energies of the business and educational sectors into a constructive program for the good of the community.

## II. WHAT SERVICES WILL THE ACCOUNTING AID SOCIETY OFFER?

The Accounting Aid Society of Metropolitan Detroit will offer financial services in three main areas:

First, financially oriented services to lower-income individuals.

These will include such services as: instructions in bank reconciliations, budgeting of resources, debt consolidation, the use of checks and tax services (including not only assistance in the completion of tax forms but also counseling concerning the individual's tax responsibilities and possible deductions).

Secondly, for nonprofit and other organizations, services will include the organization of books of accounts and reporting systems, and the establishment of financial and personnel controls. These services will, hopefully, allow these groups to develop and efficiently operate their organizations.

Finally, for the general public, the AAS will develop and offer a variety of educational seminars aimed at providing information on various financial topics.

### III. WILL THESE SERVICES DETER INCOME FROM COMPANIES ALREADY IN THE BUSINESS OF FINANCIAL ADVICE?

These services are not meant to infringe upon the normal services provided by existing accounting firms, tax specialists, or business management consultants. The services of AAS will be provided free to qualified individuals and organizations. Qualification standards and their implementation will be set by the Board of Directors. An individual or organization that exceeds the standard set, will be referred to existing public accounting firms or other appropriate businesses.



#### IV. HOW WILL THE SOCIETY OPERATE?

The description of the operation of the Society will be divided into four parts:

- A. Proposed Organization
- B. Interface with Professionals
- C. Interface with Students and Faculty
- D. Interface with the Community

##### A. Proposed Organization:

The chart on the following page indicates the proposed organization of the Accounting Aid Society.

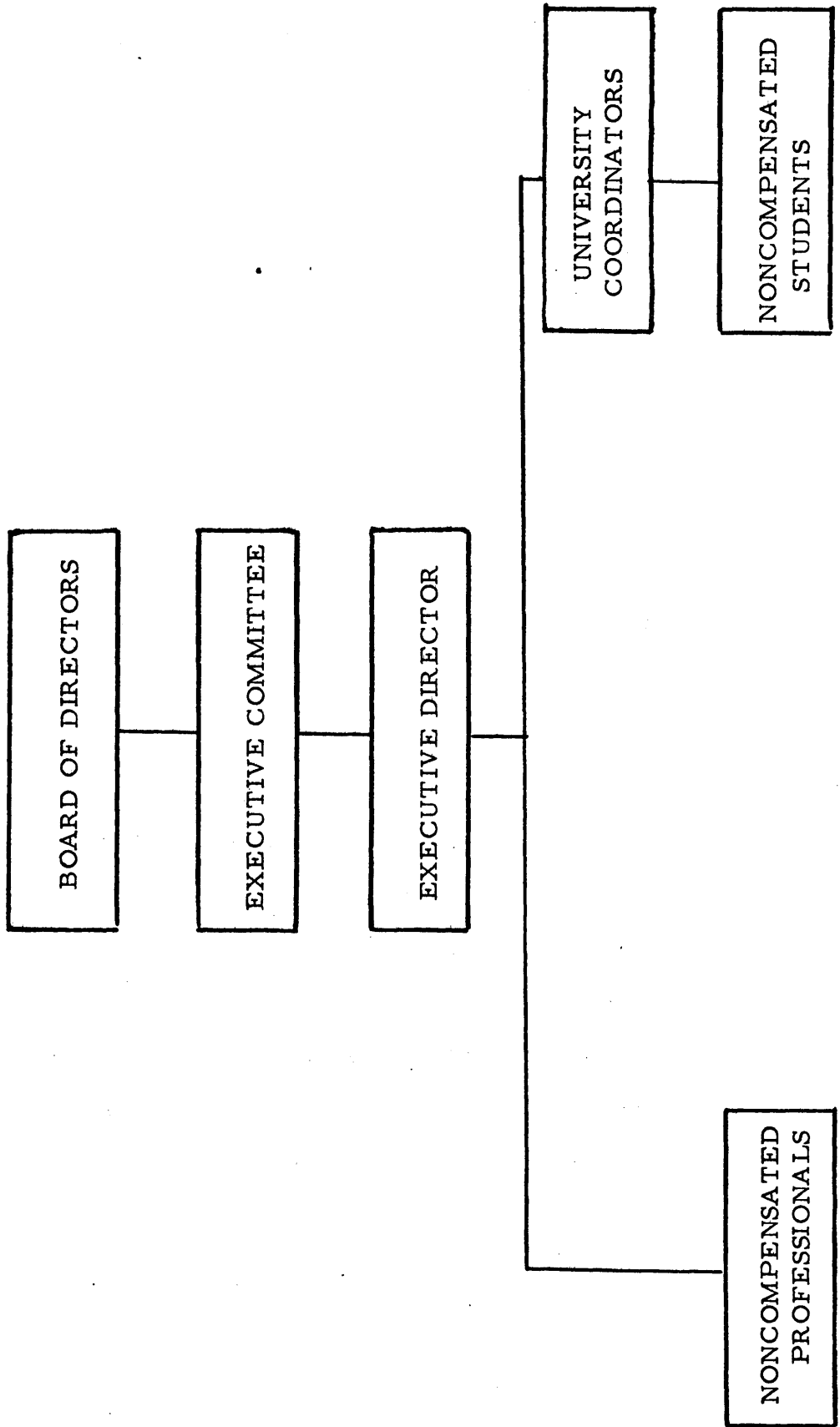
The Board of Directors of the Accounting Aid Society will be composed of 24 individuals from public and private accounting, the local universities, the business community and the social services segment of the Detroit Metropolitan Area.

The Executive Committee will be composed of six (6) members of the Board of Directors elected by the Board.

The Executive Director to be employed will be a qualified individual having experience not only in accounting matters but also in administrative and social problems. A person with these qualifications would probably require a salary between twenty thousand (\$20,000) and twenty-five thousand (\$25,000) dollars annually. His main responsibilities will be that of administering and conducting the program. He will have general discretion on a case-to-case basis with respect to representation and services. Funds will be disbursed by him within budget lines according

THE ACCOUNTING AID SOCIETY OF METROPOLITAN DETROIT

PROPOSED ORGANIZATION



to the needs of the program. He will be responsible to the Board of Directors for written monthly reports of his activities and will seek authorization on controversial points. Finally, he will develop flexible procedures for the operations of his staff and consultants in relation to the clients.

The University Coordinators will be accounting professors or representatives from local universities, appointed by the universities as an in-kind contribution. They will be ad hoc (nonvoting) members of the Board of Directors. Their main responsibilities will be to develop and administer credit bearing college courses through which the services provided by the students will be directed. They will assist the Executive Director in assigning students to clients, with considerations of personality and capability. Supervision will also be provided by them to strengthen the quality control of the accountants. The University Coordinators will assure control as to the educational experience of the students, while the Executive Director will assure control as to the quality of the services provided to the client.

The services of other professors and key community representatives will be utilized after the program is in operation. They will be used to lead informal seminars on consumer education topics and will represent such departments as economics, marketing, sociology, and business law. (These topics will be based on requests from the community.)

Noncompensated accounting students from local universities will provide services to the clients, under the direction of a professional

and through a credit bearing course. A student's eligibility for this course will be based upon standards established by the universities. While the vast majority of students needed will be accounting majors, management and marketing majors should also be eligible for the course. The course should be structured so as to enable the student to effectively transmit and convey his acquired technical learning into constructive, realistic services in a social problem situation.

Other required personnel will include a secretary to the Executive Director. This secretaries annual salary will be approximately \$7,800 (plus fringe benefits). The duties will include bookkeeping for the AAS, regular secretarial functions, and managing of internal office matters as delegated by the Director. This position will require a person with adequate secretarial training and experience as well as a knowledge and understanding of office procedures and bookkeeping functions.

**B. Interface with Professionals:**

It is expected that the Executive Director will work toward communicating the goals of the AAS to the professionals and toward enlisting the support of their time. The Executive Director will develop guidelines for the donation of the professionals' time and will provide a "skills available" resume for each participating professional.

The basic incentives for businessmen to participate in this program are:

- a. To provide them with an outlet for the fulfillment of their own social responsibility.

- b. To provide them, as representatives of their respective organizations, an opportunity to assist their organizations in fulfilling their self-assumed social responsibility.
- c. To provide both the organizations and their representatives an opportunity to work closely with the local universities in developing the professionals of the future.

It is expected that the professionals would be available for review during the development of a case and also act as a final review mechanism.

#### C. Interface with Students and Faculty:

The bulk of the casework is expected to be performed by accounting students from local universities. The University Coordinators will work toward recruiting qualified accounting and business students to work on the program and toward establishing the "skills available" resumes. They will work with the Executive Director in assigning cases and in assuring quality work from the participating students.

Student participation may be voluntary at first. It is hoped that subsequent participation will be channeled through a formal course for credit which should also be available to all business administration students. The speed with which the program can be converted into a credit bearing course will depend on the participating universities and the level of cooperation received. A pre-sampling of local institutions indicates that little or no problem should exist in establishing participation

in AAS as a credit-bearing course.

The participating students will be expected to spend as much time with AAS as is commensurate with the credit they are receiving, e. g. three hours outside of class for each credit hour in same class. It is recommended that the students be graded on the basis of their performance on the pass-fail basis, with an "A" awarded for exemplary work. The Executive Director and the University Coordinators will administer the grading and it will be based on summary reports prepared during and after each case.

D. Interface with the Community:

The program plans to use in-kind contributions of a public relations consultant and the communication media to acquaint the public with the existence of the AAS. The seminars on consumer and financial education will promote community education in the area. The AAS plans to work with neighborhood groups and centers to show how to read financial statements, project costs, and estimate budgets. Presentations of the program at various Model Cities Program meetings and to existing social agencies should be successful in informing the residents of the AAS. It is expected that we will have speaking engagements to the high schools in Detroit and other community groups. Initial contact with the community will be provided by existing agencies in the area. If needed, the public media will also be utilized.

In addition, the AAS will take steps to organize a referral system whereby cases can be referred to the AAS by various other legal, social, and business agencies.

The AAS will operate an office easily accessible to the target area and the participating students. This location will be central to the universities and the metropolitan Detroit area. The office will be staffed during the day, and will be open on Saturdays. The office will serve as an information center as well as a central location for students and recipients working on the various cases.

The "store front" approach will hopefully promote a better understanding of the goals and services of the AAS.

#### V. WHAT WILL THE OPERATION OF THE AAS COST?

The estimated annual costs of operation of the AAS are outlined in the schedule on the following page. Costs have been divided into two major categories - Operating Costs and Capital Expenditures. Type of expenditure has been divided into two categories - Cash and Donation in Kind.





THE ACCOUNTING AID SOCIETY OF METROPOLITAN DETROIT

ESTIMATED COSTS

First year of operation

	<u>CASH</u>	<u>IN-KIND</u>
OPERATING COSTS:		
Personnel:		
Executive Director	\$25,000	
Secretary-Office Manager	7,800	
Fringe benefits	2,200	
	<u>\$35,000</u>	
Consultant services:		
Professionals		\$ 70,000
College senior accounting and business students		70,000
University coordinators (6)		<u>15,000</u>
		<u>\$155,000</u>
Office and equipment:		
Office space (1,500 square feet)		\$ 2,000
Maintenance	\$ 100	
Reproduction services		700
Telephone	600	
Utilities	500	
	<u>\$ 1,200</u>	<u>\$ 2,700</u>
Consumable supplies:		
Pamphlets	\$ 300	
Posters	100	
Forms used in operation	400	
Office supplies	400	\$ 400
	<u>\$ 1,200</u>	<u>\$ 400</u>
Other		
Audit		\$ 2,500
Travel costs (5,000 miles @ 12¢/mile)	\$ 600	
Insurance and bonding:		
Personal liability insurance	200	
Fire and liability insurance	500	
Postage	400	
Miscellaneous	1,000	
	<u>\$ 2,700</u>	<u>\$ 2,500</u>
 TOTAL OPERATING COSTS	 <u>\$40,100</u>	 <u>\$160,600</u>



## VI. IS THE AAS A NEW IDEA?

This program will be new for the State of Michigan and for the Metropolitan Detroit areas. However, it is not unique. The first Accounting Aid Society was organized through the efforts of some very socially conscious accounting students at Drake University in Des Moines, Iowa. Gaining the cooperation of the Iowa Society of Certified Public Accountants, the Iowa Chapter of the National Accountants Association, the Iowa Auditor General's Office, and the Des Moines Legal Aid Society, they commenced business on October 6, 1969. Initially, financial support was given by the Iowa Society of Certified Public Accountants and in June of 1970 they received a three-year demonstration grant from the Office of Economic Opportunity in excess of \$76,000. The program has been a great success and has served as a model for the recommendations included above. The Des Moines Accounting Aid Society has expressed willingness to cooperate fully in establishing a like program in Metropolitan Detroit and have already provided much help and encouragement.

## VII. CONCLUSION

The following points will serve to quickly summarize this proposal to establish an Accounting Aid Society for the Metropolitan Detroit area:

1. There does exist an established need for such an organization in that the services to be offered would be in demand and that they are not presently available.

2. There is evidence of support for an AAS from the local universities and from the business community.
3. As a result of the AAS:
  - . Accounting and other business students will be provided an opportunity to practice acquired skills in an atmosphere conducive to educational, social, and professional development.
  - . Local universities and businessmen will be provided an opportunity to offer their resources to help meet community needs and to increase social awareness.
4. Overall, this project will help to strengthen the community by involving both student and faculty as well as private citizens in the social and economic problems of Detroit.

It is our opinion that the AAS is a feasible and workable organization and that such an organization can and should be founded in Detroit.

FOUNDATIONS

The San Francisco Foundation  
425 California Street  
San Francisco, CA 94104  
Contact: Martin A. Paley, Executive Director & Secretary

The New York Community Trust Foundation  
415 Madison Avenue  
New York, NY 10017  
Contact: Herbert B. West, Director

The Touche Ross Foundation  
1380 First National Building  
Detroit, MI 48226

Haskins & Sells Foundation, Inc.  
1114 Avenue of the Americas  
New York, NY 10036  
Contact: Michael N. Chetkovich, Chairman & President

Price Waterhouse Foundation  
60 Broad Street  
New York, NY 10004  
Contact: W. R. Gifford, Secretary

The Arthur Young Foundation  
277 Park Avenue  
New York, NY 10017  
Contact: John J. Schornack, Vice President

Hill (Louis W. & Maud) Family Foundation  
West-1052 First National Bank Building  
St. Paul, MN 55101  
Contact: John D. Taylor, Executive Director & Secretary

Salomon Brothers & Hutzler Foundation  
One New York Plaza  
New York, NY 10004

Richardson (Smith) Foundation, Inc.  
P. O. Box 3265  
Greensboro, NC 27402  
Contact: George C. Eichhorn, Administrative Vice Pres. & Treasurer

Economics Education Institute  
149 South Harrison Street  
East Orange, NJ 07018  
Contact: Alexander M. Goldfinger, Secretary

FOUNDATIONS

Akbar Fund  
302 East Palace Avenue  
Santa Fe, New Mexico 87501  
(505) 983-4381  
Contact: John Folk-Williams

ARCA Foundation  
100 East 85th Street  
New York, New York 10028  
(212) 861-8300  
Contact: Mr. Frank D. Dobyns

ARCO (Atlantic Richfield Foundation)  
515 South Flower Street  
Los Angeles, California 90071  
(213) 486-3342  
Mr. Walter D. Kichner, Exec. Dir.

Avon Products, Inc.  
9 West 57th Street  
New York, New York 10019  
(212) 593-5889  
Contact: Marcia Y. Boles

Mary Reynolds Babcock Foundation, Inc.  
102 Reynolda Village  
Winston-Salem, North Carolina 27106  
(919) 724-0519  
Contact: Mr. William L. Bondurant, Exec.

CBS Foundation, Inc.  
51 West 52nd Street  
New York, New York 10019  
(212) 765-4321  
Contact: Mr. Arthur B. Tourtellot

The Carnegie Corporation  
437 Madison Avenue  
New York, New York 10022  
(212) 371-3200  
Contact: Mr. Alan Pifer

The Cleveland Foundation  
700 National City Bank Building  
Cleveland, Ohio 44114  
(216) 861-3810  
Contact: Homer C. Wadsworth, Dir.

Cummins Engine Foundation  
1000 5th Street  
Columbus, Indiana 47201  
(812) 379-5160  
Contact: James Joseph

Edna McConnell Clark Foundation  
250 Park Avenue  
Suite 904  
New York, New York 10017  
(212) 986-7050  
Contact: Mr. Rod Petrey

Robert Sterling Clark Foundation  
100 Wall Street  
New York, New York 10005  
(212) 344-4576  
Contact: Mr. Robert F. Higgins

D.J.B. Foundation  
P.O. Box 657  
Scarsdale, New York 10583  
(914) 723-9300  
Contact:

Elan Fund  
235 Montgomery Street  
San Francisco, California 94104  
Contact: Mr. Daniel Blum

The Field Foundation  
100 East 85th Street  
New York, New York 10028  
(212) 535-9915  
Contact: Mr. David Hunter

The Ford Foundation  
320 East 43rd Street  
New York, New York 10017  
(212) 573-5000  
Contact: Bryant George

General Service Foundation  
1st National Bank Bldg.  
St. Paul, Minnesota 55101

The George Gund Foundation  
One Erieview Plaza  
Cleveland, Ohio 44114  
Contact: James Lipscomb, Ex. Dir.

Irwin-Sweeney-Miller  
301 Washington Street  
Columbus, Indiana 47201  
Contact: James Joseph, Dir.  
(812) 376-3331

The Kettering Foundation  
5335 Far Hills Avenue  
Suite 300  
Dayton, Ohio 45429  
(513) 434-7300  
Contact: Mr. James Kunde, Dir.

Laras Fund  
P.O. Box 577  
Corte Madera, California 94925  
(415) 924-3271  
Contact: MaryAnna Colwell

Levi Strauss & Co.  
1111 Northshore Drive  
Knoxville, Tenn. 37919  
(615) 588-7632  
Contact: Mr. Fred Kirschstein

The Lilly Endowment, Inc.  
2801 North Meridian Street  
Indianapolis, Indiana 46208  
(317) 924-5471  
Contact: Richard Ristine

New World Foundation  
100 East 85th Street  
New York, New York 10028  
(212) 249-1023  
Contact: Dave Ramage, Jr.

Rockefeller Brothers Fund  
30 Rockefeller Plaza  
New York, New York 10020  
(212) CI-7-8135  
Contact: Tom Wahman

Rockefeller Foundation  
1133 Avenue of the Americas  
New York, New York 10020  
(212) 869-8500

The Rosenberg Foundation  
210 Post Street  
San Francisco, California 94108  
(415) 421-6105  
Contact: Kirk Wilson

The Stern Foundation  
21 East 40th Street  
New York, New York 10016

Taconic Foundation  
745 5th Avenue  
New York, New York 10022

van ameringen Foundation, Inc.  
509 Madison Avenue  
New York, New York 10022  
(212) 758-6221  
Contact: Hod Gray, Exec. Dir.

The Veatch Program of the North Shore  
Unitarian Fellowship  
Plandome Road  
Plandome  
Long Island, New York  
(516) MA 7-6560  
Contact: Dr. Edward Lawrence, Ex. Dir.







## VII. PERSONNEL

### A. SUMMARY

The personnel of the typical ARC is composed of an executive director, a staff of two assistants, volunteer CPAs and volunteer students. The personnel policies of the center may be incorporated into a personnel guide.

### B. EXECUTIVE DIRECTOR

The executive director is the chief operating officer of the center. His responsibilities include:

1. organization and administration of all center operations;
2. hiring and supervising staff;
3. public relations;
4. recruiting volunteers;
5. servicing clients;
6. reporting to the board of directors.

In most instances, the executive director will be a CPA. However, the board may determine that this requirement is not necessary when CPA board members are actively involved in the center's activities. Other qualifications and qualities of the executive director should include:

1. experience in planning, administration and budgeting;
2. ability to motivate staff and generate enthusiasm;
3. experience in community work, fund raising and supervision;
4. ability to communicate well;
5. highly motivated, "self-starter"; professionalism.

If unable to employ the desired candidate immediately, or if the workload does not require it, the board may choose to hire a part-time acting director, or an administrator, with fewer responsibilities. Later, the position may be upgraded to meet increased requirements.

The relationship between the board of directors and the executive director should be well-defined, preferably in writing. Points to consider when structuring this relationship are:

1. the executive director should be allowed to present recommendations to the board;
2. the executive director should report in writing on activities between board meetings and should attend all board meetings;
3. the officers of the board (executive committee) should communicate frequently with the executive director between meetings;
4. fund-raising activities should be supervised by a designated board member or by the executive committee; no proposal should be submitted without approval.

C. STAFF

The goals established by the board of directors will determine the number and quality of the supporting staff. It is unlikely that a newly-formed entity will employ more than one other individual during its first year of operation.

The ideal person to complement the executive director would be an assistant director, capable of serving as secretary, clerk, receptionist and bookkeeper. As indicated above, the board may choose initially to have an administrator in lieu of an executive director. However, the fewer responsibilities assumed by the executive director and the staff, the greater the burden on board members.

There are training programs which provide temporary employees to organizations at no cost. They can assist the center meet its personnel requirement (see Exhibit VII.9, p. 173).

D. CPA VOLUNTEERS

The center must rely heavily on volunteers. Most of the casework should be performed by them. The paid staff should rarely be required to handle a case; instead, it should coordinate and facilitate services rendered by volunteer CPAs.

It will be necessary to recruit volunteers continuously. This can start at the board of directors' first meeting. Many of them will be pleased to participate in the actual services of the center. They should be encouraged to do so but reminded of their specific responsibilities as board members. Board members can also be helpful in recruiting their friends and acquaintances for service at the center.

The board of directors will probably include partners from the major CPA firms in the area. However, recruitment should not be limited to the firms represented on the board. All local firms and practitioners should be informed of the program and given the opportunity to participate. The board and the executive director should jointly assume the responsibility for contacting them.

A method of recruiting volunteers is to invite partners of CPA firms to hear about the goals and objectives of the center and the benefits it offers to the profession. At such a meeting, the partners can be asked to sign pledge cards committing their respective firms to a certain number of volunteer hours for the year. In addition, other resources required by the center may be discussed at this time, including seed money, facilities and supplies.

Corporations, government, educational institutions and associations of CPAs are other excellent sources of volunteer CPAs. They should be contacted in person, through mailings and by newsletters. In certain areas, it may be possible to advertise for volunteers in the local press.

The significance of the state society of CPAs to the center cannot be overemphasized. The board of directors and the executive director should make every effort to involve the society in their activities. Its membership lists, newsletters and resources are valuable tools in recruiting efforts. Even more important is the support and cooperation the society can provide, serving as the focal point between the center and the profession.

E. STUDENTS

Universities and community colleges can play an important role in supplying volunteers and other resources. Conferences should be arranged with department chairmen and faculty of accounting- and business-related disciplines to explore relationships with the center. Consideration may be given to these topics of discussion:

1. volunteer assistance;
2. credit-bearing courses;
3. work study and work support programs;
4. placement of students;
5. internship programs;
6. recruitment of students into the profession.

Students as well as the educational institution can receive considerable benefits from this relation, including contact with practitioners, actual experience and service to the profession and community.

F. OTHER VOLUNTEERS

In addition to professional volunteers and students, the center may be able to secure the assistance of conscientious community residents for clerical work. A number of localities have organizations coordinating such volunteer services.

G. PERSONNEL POLICIES

Personnel policies regarding the following areas should be prepared:

1. starting salaries and salary review procedures;
2. overtime;
3. vacations;
4. sick leave;
5. insurance benefits;
6. professional and educational expenses;
7. advances and loans;
8. pensions and retirement plans;
9. outside employment;
10. termination and reemployment.

These are the basic elements of a personnel guide and should be presented to all new employees.

A formal written contract should be considered for the executive director. However, the initial period of operations may require flexible relationships not possible under a contract.

Staff members' relationship with clients and volunteers should be based on common courtesy and common sense. The center should present an organized and professional environment. Dignified friendliness and respect should be maintained at all times.

The executive director is responsible for instilling this quality by his own personal conduct. The following are suggested rules for the office staff:

1. personal opinions should not be expressed to clients;
2. clients should not be criticized;
3. all client questions should be directed to authorized individuals;
4. clients' records are confidential;
5. money, gifts or gratuities are not to be accepted from clients; donations should be directed to the center;
6. favors from clients such as discounts on merchandise may not be accepted.

## RELATIONSHIP BETWEEN BOARD AND EXECUTIVE DIRECTOR

Within the traditional distinction between board responsibilities (to establish policy) and staff responsibilities (to execute policy), the board should be sensitive to the practicalities of the situation and the occasional necessity for staff to make decisions which might border on policy. For example, the infrequency of board and/or executive committee meetings may require staff to act decisively in certain situations.

To some extent, the role to be played will depend upon the respective personalities and desires of the persons involved and the degree of technical ability of the executive director.

It should also be understood and recognized that the tensions and dynamics of the relationship can be exceedingly healthy and constructive for the organization. The interaction between staff and board can be a vital and continuing force in the balancing of views and policies. The absence of disagreement between the two parties should be much more of a cause for alarm than occasional disputes and discord.

The following points may be considered to minimize problems and create the structure for a healthy relationship:

- A. Reduce to writing the general understanding of the relationships and modify as events later dictate.
- B. The executive director should feel free to initiate policy recommendations to be presented to the board.
- C. The executive director should outline his or her perception of authority and responsibility and modify as circumstances later dictate.
- D. A reporting system to the board should be instituted to permit continuing analysis of the evolution of the relationship.
- E. Evaluation of the group's activities should be the responsibility of the board.
- F. Any outside consultants who are retained should report directly to the board.
- G. The annual NAAPI staff review report should go directly to the local board.
- H. Consideration should be given occasionally to retroactive approval of executive director actions.



PERSONNEL PROCESSING CHECKLIST

Date \_\_\_\_\_

Employee's Name \_\_\_\_\_

Processor \_\_\_\_\_

Item	Completed (Initials)
1. Establish Permanent Personnel Folder, and insert the following items:	
a. Application for Employment	_____
b. W-4 Form	_____
c. Photograph (optional)	_____
2. Explain the following insurance plans and obtain completed enrollment cards (as appropriate) for:	
a. Group Life Insurance	_____
b. Group Hospital Insurance	_____
c. Group Major Medical Insurance	_____
3. Explain the following policies and procedures:	
a. Office organization including full name and position of each individual	_____
b. Office hours and lunch periods	_____
c. Salary review procedures (including policy relating to confidential nature of salary matters)	_____
d. Vacation, holiday, sick pay, overtime, and other time off, etc.	_____
e. Jury duty, military leave, CPA exam, etc.	_____
f. Time Report and Expense Analysis Sheet (explain center's policy relating to reimbursable expenses)	_____
g. Confidential nature of clients' affairs	_____
h. Job evaluation forms	_____
i. Policy on outside work	_____
j. Notify office secretary of location of assignments when out of office	_____
k. Discuss initial assignment and office procedures for job assignments	_____
l. Handling of incoming and outgoing mail	_____



- m. Personal usage of telephone \_\_\_\_\_
- 4. Assign the following (explain when appropriate):
  - a. Desk space and file cabinet \_\_\_\_\_
  - b. Keys to office and brief case \_\_\_\_\_
  - c. Current personnel list \_\_\_\_\_
  - d. Quality control procedures \_\_\_\_\_
  - e. Personnel Manual \_\_\_\_\_
  - f. Business cards \_\_\_\_\_
- 5. Show file room and explain indexing system of files. \_\_\_\_\_
- 6. Show supply room and explain usage of forms and supplies. \_\_\_\_\_
- 7. Arrange for lunch with staff members on first day. \_\_\_\_\_
- 8. Follow up with all new employees that they have no questions with respect to recent employment. \_\_\_\_\_

Federal & State Law prohibit discrimination in employment on account of age, sex, race, religion and national origin. You do not have to furnish any such information as part of the pre-employment screening procedure.

EMPLOYMENT APPLICATION

(An Equal Opportunity Employer)

DATE \_\_\_\_\_

APPLICANT'S NAME (Please print) \_\_\_\_\_

Address \_\_\_\_\_ (Street) \_\_\_\_\_ (City) \_\_\_\_\_ (State) \_\_\_\_\_ (Zip)

Phone No. \_\_\_\_\_ SOCIAL SECURITY NO. \_\_\_\_\_

POSITION APPLIED FOR \_\_\_\_\_

Minimum Salary Required \_\_\_\_\_ AGENCY \_\_\_\_\_ RELATIVE \_\_\_\_\_ REFERRED BY: FRIEND \_\_\_\_\_ NEWSPAPER AD \_\_\_\_\_ OTHER \_\_\_\_\_

EDUCATIONAL BACKGROUND

	Name & Location	Major Course	Did you Graduate?
Grade School			
High School			
Other (Business, etc.)			

WORK HISTORY (List Last or Present Job First)

	FROM	TO	EMPLOYER'S NAME	ADDRESS	POSITION	IMMEDIATE SUPERVISOR	REASON FOR LEAVING
1.							
2.							
3.							
4.							
5.							

SPECIAL SKILLS & MACHINE KNOWLEDGE (Please Specify)

Please use the space below for any additional information you feel would be helpful in considering you for employment with the Institute.



PERSONAL DATA SHEET

NAME		HIRE DATE	
DATE OF BIRTH	SOCIAL SECURITY NUMBER		
MARITAL STATUS		SPOUSE'S NAME	
TELEPHONE		TELEPHONE	
STREET			
CITY		STATE	ZIP
STREET			
CITY		STATE	ZIP

IN CASE OF EMERGENCY, NOTIFY:	
NAME	RELATIONSHIP
TELEPHONE	



EMPLOYEE ORIENTATION MEMORANDUM

To: (New Employee)

From: (Executive Director)

Date

This memorandum summarizes the operating policies and employee benefits as they apply to you, especially during your initial three-month evaluation period.

HOURS: Regular office hours are from 9:00 a.m. to 5:00 p.m., Monday through Friday, with one hour for lunch.

LOCATION: Your immediate supervisor is \_\_\_\_\_ whose title is \_\_\_\_\_ You will be working in the \_\_\_\_\_ Department, of the \_\_\_\_\_

SALARY: We are paid every Friday. You will receive your first pay check on \_\_\_\_\_. The check-cashing/identity card that you will be asked to sign in a few minutes will be taken back, registered, countersigned and returned to you with your first pay check.

Your job title is \_\_\_\_\_. Your salary range is \_\_\_\_\_. Your current salary is at the annual rate of \$\_\_\_\_\_. Your first performance appraisal report is scheduled for \_\_\_\_\_ and your first salary review for \_\_\_\_\_.

New employees' work performance is appraised at the end of each of their first three months on the staff. Thereafter, employees are reviewed annually.

EVALUATION PERIOD:

Your evaluation period starts today and will end on \_\_\_\_\_. During this period, vacation and sick time credit will be accrued but cannot be used. During the same three months, you will not be paid if absent unless the offices are closed in observance of a holiday or because of an emergency. Check with your supervisor for unusual situations requiring his approval.

INSURANCE COVERAGE:

You will receive Health and Life Insurance coverage, at no cost to you, as of \_\_\_\_\_. If you wish to be covered sooner, you can do so at a cost of \_\_\_\_\_ for individual coverage or \_\_\_\_\_ for yourself and family (unlimited number) for the first three months, effective \_\_\_\_\_. Thereafter, family coverage would cost you \_\_\_\_\_ per month. Our policy does not permit Life Insurance coverage before the completion of your initial three month evaluation period.

SICK TIME:

You will accrue one day of sick time credit for each full month of employment. (Remember, however, that you will not be paid for absence due to illness or injury during your evaluation period.)

VACATION:

Our vacation year runs from \_\_\_\_\_ through \_\_\_\_\_. During your first partial year to \_\_\_\_\_, you will accrue vacation credits at the rate of \_\_\_\_\_ days per month to a maximum of \_\_\_\_\_ working days.

We ask you to sign one copy of this memorandum, which will become part of your file, and suggest you keep the second copy.

Thank you and Welcome to the Center.

Executive Director Signature

Employee Signature



ATTENDANCE CALENDAR

1979

1980

JULY							TIME CARD REC'D	VACATION DATE TOTAL	SICK DATE TOTAL	JANUARY							TIME CARD REC'D	VACATION DATE TOTAL	SICK DATE TOTAL										
S	M	T	W	T	F	S				S	M	T	W	T	F	S				S	M	T	W	T	F	S			
1	2	3	H	5	6	7						H	2	3	4	5													
8	9	10		12	13	14				6	7	8	9	10	11	12				13	14	15	16	17	18	19			
15	16	17		19	20	21				20	21	22	23	24	25	26				27	28	29	30	31					
22	23	24		26	27	28				27	28	29	30	31															
29	30	31																											
AUGUST							FEBRUARY																						
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SEPTEMBER							MARCH																						
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30																													
OCTOBER							APRIL																						
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21	22	23	24	25	26	27	20	21	22	23	24	25	26																
28	29	30	31				27	28	29	30																			
NOVEMBER							MAY																						
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				1	2	3					1	2	3																
4	5	6	7	8	9	10	4	5	6	7	8	9	10																
11	12	13	14	15	16	17	11	12	13	14	15	16	17																
18	19	20	21	H		24	18	19	20	21	22	23	24																
25	26	27	28	29	30		25	H	27	28	29	30	31																
DECEMBER							JUNE																						
S	M	T	W	T	F	S	S	M	T	W	T	F	S																
						1	1	2	3	4	5	6	7																
2	3	4	5	6	7	8	8	9	10	11	12	13	14																
9	10	11	12	13	14	15	15	16	17	18	19	20	21																
16	17	18	19	20	21	22	22	23	24	25	26	27	28																
23	H		H	26	27	28	29	29	30																				
30	H																												

Prior Yrs. Vac. \_\_\_\_\_  
 1980 Vac. \_\_\_\_\_  
 TOTAL \_\_\_\_\_





EXEMPT STAFF ATTENDANCE RECORD

EXHIBIT VII.7

WEEK ENDING

SEND COMPLETED FORM TO THE PERSONNEL OFFICE ON FRIDAY AFTERNOON

STAFF MEMBER	S	M	T	W	T	F	S	EXPLANATION

APPROVAL SIGNATURE

CODE

WORK

- X = Worked in office
- X\* = Worked outside of office. (Indicate city and state).

ABSENCE

- S = Sickday
- F = Illness in Family
- E = Earned day
- H = Holiday
- FH = Floating Holiday
- V = Vacation
- P = Personal
- J = Jury duty
- R = Reserve duty
- M = Marriage
- D = Death in family (Indicate relationship)

NON-EXEMPT STAFF ATTENDANCE RECORD

NAME

DEPT.

S.S.#

WEEK ENDING

DAY	IN	LUNCH		OUT	TOTAL HOURS	OVERTIME			FOR ACCOUNTING DEPT. USE MONTHLY SUMMARY					
		OUT	IN			IN	OUT	TOTAL	W/E	REG	S/O	X/O		
SUN.														
MON.														
TUE.														
WED.														
THU.														
FRI.														
SAT.														
TOTAL HOURS						TOTAL HOURS				TOTAL				

EMPLOYEE SIGNATURE	
AUTHORIZING SIGNATURE	



# AICPA EMPLOYEE PERFORMANCE APPRAISAL

EXEMPT

NON-EXEMPT

HIRE DATE

EXHIBIT VII.8

REVIEW DATE

NAME

TITLE

DEPARTMENT

DIVISION

FACTOR (Use Reverse Side for Comments)	DEGREE OF PERFORMANCE (CHECK APPROPRIATE NUMBERED BOX)					POINT RATING (Number Checked)
	UNSATISFACTORY	FAIR	GOOD	EXCELLENT	OUTSTANDING	
<b>1. QUANTITY OF WORK:</b> Volume of work regularly produced. Speed and consistency of output.	Output inadequate to retain in job without improvement. <input type="checkbox"/> 0	Output below job requirements. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Output satisfies job requirements. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Output exceeds satisfactory job requirements. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Unusual speed and volume of output. <input type="checkbox"/> 10	
<b>2. QUALITY OF WORK:</b> Extent to which work produced meets quality requirements of accuracy, thoroughness, and effectiveness.	Quality too poor to retain in job without improvement. <input type="checkbox"/> 0	Work below standard quality requirements. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Work satisfies quality requirements. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Quality high, work very well done. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Unusual accuracy, thoroughness and effectiveness. <input type="checkbox"/> 10	
<b>3. DEPENDABILITY:</b> Extent to which employee can be counted on to carry out instructions, and fulfill responsibilities.	Too unreliable to retain in job without improvement. <input type="checkbox"/> 0	Not fully dependable. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Can be relied on to fulfill job demands. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Exceeds normal job requirements. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Extremely dependable. <input type="checkbox"/> 10	
<b>4. EFFECTIVENESS IN DEALING WITH PEOPLE:</b> Extent to which employee cooperates with, and effectively influences people contacted.	Relations too ineffective to retain in job without improvement. <input type="checkbox"/> 0	Does not always get along well with others; irritating, not cooperative. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Maintains effective working relations with others. Fully cooperative. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Ability superior to normal job requirements. Goes out of way to cooperate. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Obtains highest respect and cooperation from others. <input type="checkbox"/> 10	
<b>5. INITIATIVE:</b> Extent to which employee is a "self-starter" in attaining job objectives.	Lacks sufficient initiative to retain in job without improvement. <input type="checkbox"/> 0	Lacks initiative. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Exercises amount of initiative required by the job. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Exercises initiative beyond job requirements. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Extraordinary: beyond that which present job can fully utilize. <input type="checkbox"/> 10	
<b>6. SUPERVISION REQUIRED:</b> Extent to which employee needs supervision to be able to attain job objective.	Requires too much supervision to keep in job without improvement. <input type="checkbox"/> 0	Requires more supervision than others. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Requires normal supervision. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Requires less supervision than others. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Requires little or no supervision. <input type="checkbox"/> 10	
<b>7. JOB KNOWLEDGE:</b> Extent to which employee is able to perform variety of assignments necessary to attain job objectives.	Cannot perform required tasks. <input type="checkbox"/> 0	Can perform limited number of required tasks. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Can perform all required tasks. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Can perform more than required tasks. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Can perform a large variety of tasks beyond those required to attain present job objectives. <input type="checkbox"/> 10	
<b>8. JUDGMENT:</b> Extent to which decisions and actions are based on sound reasoning and weighing of outcome.	Judgment too poor to retain in job without improvement. <input type="checkbox"/> 0	Decisions not entirely adequate to meet job demands. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Makes good decisions. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Superior in determining correct decisions and actions. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Judgment always reliable on important and complex matters. <input type="checkbox"/> 10	
<b>9. ATTENDANCE &amp; PUNCTUALITY:</b> Regular attendance, timely arrival and departure, proper observance of lunch hour & coffee breaks.	Personal dependability too poor to retain in job without significant improvement. <input type="checkbox"/> 0	Attendance, punctuality and use of personal time, needs some improvement. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Absence, lateness or use of personal time is acceptable. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Seldom absent or late - never abuses personal time. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Highly dependable attendance, punctuality, and availability for work. <input type="checkbox"/> 10	
<b>10. ORGANIZING ABILITY:</b> Effectiveness in planning and performing work systematically.	Planning too poor to retain in job without improvement. <input type="checkbox"/> 0	Planning inadequate in some aspects. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Work reasonably well planned and organized. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Careful and effective planner. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Exceptionally systematic. Exceeds organizing ability required by present job. <input type="checkbox"/> 10	
<b>11. JOB INTEREST:</b> Extent of employee's attitude and enthusiasm for performing duties.	Shows little or no interest in job. <input type="checkbox"/> 0	Shows some interest in job. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Shows interest in learning and accomplishing assigned tasks. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Conscientious; shows interest in position and organization. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Eager, ambitious high-quality performer. <input type="checkbox"/> 10	
<b>12. PROMOTABILITY:</b> Employee's capacity and ambition to be considered for future advancement.	Cannot be considered for any other position at this time. <input type="checkbox"/> 0	Shows limited potential. <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3	Shows potential; requires additional training. <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6	Capable of accepting higher level position. <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9	Outstanding candidate for promotion. <input type="checkbox"/> 10	

### OVERALL PERFORMANCE RATING (TOTAL POINTS)

0-11 POINTS  
**UNSATISFACTORY** - Unacceptable, bordering on cause for dismissal.

12-36 POINTS  
**FAIR** - Below standard, conditionally acceptable.

37-83 POINTS  
**GOOD** - Standard performance, perfectly acceptable.

84-108 POINTS  
**EXCELLENT** - Above and beyond normal routine.

109-120 POINTS  
**OUTSTANDING** - Extraordinary, rare performance.

TOTAL

\*AN UNSATISFACTORY appraisal will require follow-up evaluations at 30 and 60-day intervals; three consecutive UNSATISFACTORY appraisals will be considered as grounds for dismissal.

APPRAISER'S COMMENTS

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AREAS OF PERFORMANCE IN NEED OF IMPROVEMENT

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

EMPLOYEE'S COMMENTS (Comments are not required; however, signature without comment implies concurrence in evaluation. No salary increase recommendation will be processed without employee's signature below).

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

DIRECTOR'S REVIEW

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

COMMENTS

PERSONNEL REVIEW

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

**NOTICE OF SOLICITATION OF PUBLIC SERVICE EMPLOYMENT  
PROJECTS UNDER TITLE VI  
OF THE COMPREHENSIVE EMPLOYMENT  
AND TRAINING ACT OF 1973, AS AMENDED (CETA)**

-173-

EXHIBIT VII.9

The following outlines the application process:

**WHO MAY APPLY:**

Section 94.4 (ppp) of the October 18, 1977 U.S. Department of Labor regulations defines a project applicant as "... States and agencies thereof, units of general local government and agencies thereof or combinations or associations of such government units ... A special purpose political subdivision having the power to levy taxes and spend funds within an area served by one or more units of general local government ... (and) local educational agencies ... institutions or higher education ... community based organizations ... community development corporations ... and other non-profit private organizations or institutions engaged in public service."

**HOW TO APPLY:**

Prepare a project application package, which may be picked-up at:  
271 Church Street, 7th Floor, New York City  
Information on proposal preparation may be obtained by calling 553-6296, 553-6385, 553-5000.

**STANDARDS FOR PROJECTS:**

All projects must conform to CETA Title VI Regulations; Project Objectives must be directed toward servicing the following Public Service needs:

**A. SERVICES TO THE AGING**

1. Homemaker/Housekeeper services to the elderly whose income is above Medicaid ceiling but too low to afford commercial rates.
2. Crime prevention and services to crime victims including referral to appropriate services, escorts and promoting home security (install locks, engrave valuables, tenant patrols, block-watchers, etc.)
3. Senior center and nutrition program services including preparing and delivering meals, providing assistance in community activities, providing center based services such as outreach, information and referral.

**B. CRIMINAL JUSTICE**

Project sponsors should direct attention toward providing direct services and/or researching new alternatives that would conform to the definition of a project for the following:

1. Provide service and assistance to crime victims particularly battered women and rape cases;
2. Minimize inconvenience to complaining witnesses;
3. Provide alternatives to the criminal justice system for dealing with criminal conduct committed against acquaintances or family members who are reluctant to invoke criminal sanction but are in need of assistance or protection;
4. Provide programs for ex-offenders as well as those who are or would otherwise be in correctional institutions such as development of employment opportunities, etc.;
5. Develop systems to assure appearance of criminal defendants for trial and prevent inappropriate pretrial detentions or releases;
6. Assist the uniformed services in combating arson;
7. Develop methods for dealing with conflict among racial and ethnic groups.

**C. HUMAN SERVICES**

Projects which can be either developmental or preventive in nature should be directed toward the target populations identified below. The modality of service delivery is to be determined by the applicants and could include, for example, counseling, behavior modification workshops, tutoring, day care, recreation and home attendant programs or provision of supplemental services to promote independent living:

1. Young AFDC Mothers (16-25)
  - a. Promote self-sufficiency through personal and occupational skills development
  - b. Promote positive family development and child rearing behavior
2. Children Ages (6-12)
  - a. Promote constructive participation in the public education system.
  - b. Reduce pre-delinquent social behavior
3. The Disabled
  - a. Promote independent living for the disabled
  - b. Develop protective service models for mentally handicapped

**D. HOUSING**

Priority will be given to those projects which meet Federal regulations in underlaking the management and maintenance and/or renovation and rehabilitation of City owned properties or properties owned by non-profit community and tenants associations. Projects should be those that can be implemented in conjunction with programs outlined in New York City's Fourth Year Community Development Project and Application. These programs include facade and street improvement, housing rehabilitation and maintenance, site improvement, small home improvement and the Federal Section 312 Mortgage Program. These programs are more fully described on pages 61-66 of the Fourth Year Community Development Application available from the City Planning Commission.

**E. EDUCATION**

- Projects should direct their attention to the following:
1. Investigating and dealing with the cases of truancy or long term absences;
  2. Through appropriate referrals or counselling, address the issues of student disability or deprivation which are caused by physical, psychological or social problems.
  3. Individualized or small group tutoring to assist students in acquiring competency in basic and advanced skills;
  4. Promote family participation in sessions involving discussion of a student's progress and problems;
  5. Assist students at the high school level to prepare for occupational or post-secondary education;
  6. Develop and run after-school educational programs.

**F. ECONOMIC DEVELOPMENT**

Projects should be directed toward the following areas:

1. Research  
Undertake surveys related to the economic development needs of the City as a whole or specific areas within the City. (Merchant, pedestrian and shopper needs, transportation requirements, marketing analysis, retail business potential);
2. Consumer Services  
Provide shopper assistance and/or consumer guidance;
3. Physical Improvements
  - a. Clean vacant lots
  - b. Clean streets and sidewalks
  - c. Landscape public areas;
4. Business Services  
Provide training courses for merchants in inventory control, merchandising, marketing, accounting and fiscal record keeping;

**G. CULTURAL AFFAIRS**

Proposals designed to employ artists and provide activities free to the public should be directed toward the following:

1. Delivering cultural services to neighborhoods with limited cultural activities or programs, particularly projects that involve senior citizens and young people, (e.g. touring, mobile units)
2. Forging links between arts organizations and neighborhood services which will provide an overall increase in the quality and scope of services, (e.g. therapeutic, recreational or educational)
3. Providing exhibitions or performances by artists in public places.
4. Adding new cultural services to city-wide or neighborhood economic development and stabilization programs.
5. Providing training for arts administrators in small arts organizations that need improved management services.

**H. HEALTH SERVICES**

Projects should be directed toward the following areas:

1. Providing audio-metric and vision screening tests for school children throughout the City.
2. Providing assistance in feeding and caring for handicapped children while in school.
3. Providing instructions to the community to promote proper garbage disposal.
4. Providing such groups as the aging, mothers and infants, addicts and alcoholics with information regarding sound nutritional practices.

**I. YOUTH SERVICES**

Project should be directed toward the following areas:

1. Providing services for runaway and homeless youth such as food, clothing, shelter, counseling, arranging for employment opportunities and alternate living facilities.
2. Providing community based recreational and cultural programs;
3. Providing assistance to, and acting as advocates for children between the ages of 8 and 21 to find the appropriate public agency for assistance.

Projects cannot exceed one year's duration and are not renewable; Projects operators must be incorporated and should have been incorporated for at least two (2) years prior to date of application; Operators should have proven fiscal capability and experience in grant management;

Organizations may not create public service jobs involving either political or religious activities;

Project jobs must be filled with New York City residents who meet the following eligibility criteria: be a member of a family which has current total family income ... at or below 70 per centum of the lower living standard income level, (which is defined in N.Y.C. as: \$7,810 for a family of four) and who in addition:

(i) during 15 of the 20 weeks immediately prior to application has been unemployed or has been receiving unemployment compensation or a combination of weeks unemployed and weeks receiving unemployment compensation and in either case has not obtained permanent, unsubsidized full-time employment;

(ii) or, who is unemployed and has exhausted all unemployment compensation benefits;

(iii) or, whose family is receiving Aid to Families with Dependent Children (AFDC) including AFDC-Unemployment Fathers, under Title VI of the Social Security Act

In order to meet the above eligibility requirements, persons hired to fill CETA jobs will be recruited and referred by the New York City Department of Employment, appropriate public assistance agencies and the New York State Employment Service.

Proposals containing less than 100 jobs will not be accepted; proposals containing over 300 jobs will not be accepted. However, projects which do not meet the size criteria and/or who do not meet the incorporation criteria, may operate as a subcontractor within a consortium.

Project operators will be required to report regularly on project activities and will be accountable to the Department of Employment in the manner directed by the Department of Employment.

Project activities should constitute a task or group of related tasks which will be completed within a definable time period; not exceeding one year, will have one of the public service objectives mentioned above, will result in a specific measurable product(s) or accomplishment(s) and would otherwise not be done with existing funds.

Projects are expected to commence from January through May 1979 and will replace current projects.

Approximately 4000 positions will be funded.

Administrative costs for projects should be kept within 12% of the total of participant wages and fringe benefits.

Project operators will be expected to place CETA employees into unsubsidized employment within the life of the project.

Project operators will be expected to have an Affirmative Action Plan.

Projects should be designed to employ the following target populations:  
—Welfare Recipients — Unemployment Insurance Beneficiaries  
—Economically Disadvantaged — Handicapped — Veterans — Elderly — Ex-offenders — Ex-addicts

Project positions should be composed of non-professional employees.

There may be a limited number of positions for areas not mentioned in the listed public service needs.



## THE STAFF

### Overview of Staff Responsibilities

The staff of Community Accountants is responsible:

- to promote awareness about Community Accountants' services to potential clients throughout the greater Delaware Valley
- to recruit volunteers
- to accept requests for services from clients
- to screen all requests
- to determine eligibility of Non-profit and Profit-making clients
- to review and gather information on Public Issue Client requests, and refer these to Community Accountants' Client Committee
- to issue appropriate letters to ineligible clients
- to assign volunteers to qualifying clients
- to issue letters of agreement to clients
- to issue letters of assignment to volunteers, accompanied by the Client Data Sheet, the Caseworker's Screening Report and a copy of the Client Agreement Letter. New volunteers also receive a Volunteers Orientation Sheet
- to monitor on a monthly basis the progress of each client being serviced, by phone calls to both client and volunteer, and, to record these reports on appropriate Case Cards
- to resolve problems arising in the course of any engagement
- to invoke and execute all quality control procedures included in this Manual
- to issue a letter of acknowledgement to a volunteer upon completion of an engagement
- to obtain, record, and maintain accurately the statistics on the number of volunteer hours expended on each engagement
- to inform clients of the termination of services
- to seek from clients an evaluation of services after issuance of the termination letter
- more specifically...



The Executive Director

The Community Accountants' Executive Director is responsible:

- for the day-to-day operations of the agency
- to the President of the Board in the first instance and to the entire Board of Directors, secondarily, for day-to-day operations of the agency
- for the supervision of all other staff
- for volunteer recruitment
- for screening of volunteers
- for client/volunteer relationships
- for the preparation of monthly, quarterly and annual activity reports. These reports should summarize Community Accountants' operations and draw particular attention to Public Issue casework, Special Projects and problematic areas or factors pertinent to the consistent growth and progress of the agency's functioning
- for assistance to the President in facilitating proper functioning of the Board's Committees
- for making the community at large aware of Community Accountants' services.

The Administrative Assistant

The Community Accountants' Administrative Assistant is responsible:

- for general assistance on the overall functioning of Community Accountants
- for assurance that all correspondence is issued in a timely, efficient fashion and in a manner consistent with the image desired
- for obtaining and recording monthly progress reports from clients and volunteers
- for recordkeeping of volunteer hours
- for Community Accountants' bookkeeping, checkdrawing and maintenance of various financial records.

### The Staff Accountant

The Community Accountants' Staff Accountant is responsible:

- for screening client requests for service and preparing a Community Accountants' Caseworkers Screening Report
- for assisting in direct accounting services to profit-making and non-profit clients as needed
- for research and analysis on behalf of Public Issue Clients
- to keep regularly abreast of accounting practices, trends and developments as these apply particularly to the accounting needs of non-profits and small businesses. To develop an expertise in responding to the accounting requirements of these two client categories
- for communications and relations between Community Accountants and the national association, Accountants for the Public interest
- for the preparation of Community Accountants' unaudited quarterly and annual financial statements
- for co-ordination and supervision of student volunteers in the area of accounting.

### The Student Interns

Community Accountants has a Student Volunteer component, which includes Interns and Co-op Student Volunteers who function as part of staff and are integrated into the staff. SEE THE APPENDIX TO THIS MANUAL, 'Student Volunteer Component of Community Accountants' Program.'





## VIII. PROGRAM ADMINISTRATION

### A. SUMMARY

A philosophy of practice and plan of action, in writing, provide direction and consistency to the center. Management by objectives also helps to guide the center towards the established goals.

The use of an operations control guide, with forms and charts, facilitates services and standardizes procedures. Financial and program recordkeeping systems are valuable in monitoring and controlling operations.

### B. PHILOSOPHY OF PRACTICE

The basic principles underlying the center will have been determined by the founders, the board of directors and the staff during the formative stages. The certificate of incorporation, application for tax exemption and funding proposals all will articulate why the ARC exists.

These principles should be rewritten as concise statements, representing the general philosophy of the center. From them, plans, objectives and procedures may be formulated. The board of directors may consider the following areas when defining its principles:

1. nature of practice;
2. community service;
3. professional commitment;
4. fees;
5. organization;
6. integrity;
7. moral intent.

A short definition, one or two sentences long, is sufficient to provide future consistency and direction to the center's operations (see Exhibit VIII.1, p. 183).

### C. LONG-TERM PLAN

A long-term plan, preferably of three to five years, is recommended. During the early stages of the organization, short-term monetary considerations may tend to dominate the planning process. Sound planning in the following areas may help guide the center towards its desired goals:

1. future management;
2. services to clients;
3. internal administration;
4. community relations;
5. growth;
6. funding.

An outline of this planning process is presented in Exhibit V.8, p. 97.

Despite the small size of the center's staff, an organization chart is valuable in determining responsibility and achieving objectives. Even if the executive director initially performs all the tasks, a chart will show the interaction between him, the board and volunteers. As new employees and activities are introduced into the center's program, the chart may provide guidance and prevent conflicts.

The first level of the chart is the ownership element. In most cases, this will be the members comprising the non-profit organization. On the second level is the board of directors, with its various committees and officers. Third are the center's operating components, including the executive director, the staff and the volunteers; however, the professional volunteers may be shown on a separate level. The relationship between these groups should then be graphically illustrated. A typical organization is presented in Exhibit VIII.2, p. 185.

#### D. MANAGEMENT BY OBJECTIVES

Setting goals and developing plans for reaching them is the basic definition of management by objectives, MBO. It includes planning, delegating, organizing, decision-making, budgeting and appraising the organization. A simple plan may start with these considerations:

1. potential areas of service;
2. productivity level desired;
3. plan of action;
4. measurement of progress (milestones);
5. evaluation of accomplishments.

Section II indicated four basic services which the ARC may desire to offer: education, technical assistance, information to the public and referrals to CPAs. The quantity of each should be projected in terms of number of clients to be served and CPAs needed to serve them; staff participation must also be calculated. A sample forecast is presented in Exhibit V.9, p. 99.

#### E. PROCESSING CASES

The procedure for processing cases should be outlined in an operations control guide. This should be the source of direction for the staff from the inception of the center. Forms and charts should be developed to facilitate and standardize procedures. The following are recommended:

1. work flow chart;
2. outreach forms;
3. interview forms;
4. applications for assistance;
5. volunteers personal data form;
6. office and volunteers' schedule of hours;
7. engagement records by clients;

8. engagement records by CPAs;
9. volunteers' procedural checklist;
10. form letters;
11. termination of services form;
12. evaluation of services form.

Examples of some of these are included in Exhibits VIII.3 – VIII.23, pp. 187-232. Forms and systems which volunteer CPAs use in their practices may be modified and incorporated into the center's system. Care is necessary, however, to maintain a uniform system.

Clients may be initially received either by appointment (particularly when office hours are limited), by referrals, as walk-ins, or any combination of these. Whatever the method, it is important to have a continuous source of clients to serve.

Applications are screened and processed by the staff. The executive director oversees this activity and coordinates the relationship between clients and volunteers. He should strive to make donated time of CPAs productive. Keeping them idle or having them travel long distances is wasteful and may discourage them from continuing as volunteers.

Clients should be interviewed, informed of the services of the center and introduced to the volunteer CPA by the executive director. It is important to respect clients and not to be condescending or to demean them for requesting assistance. An efficient intake and processing system without long delays or complicated procedures facilitates acceptance or rejection of clients. Note: the center should be primarily concerned with rendering assistance not with accumulating statistics.

Volunteer CPAs should be given adequate facilities and supplies and be provided with a comprehensive system for recording their services. They should be accommodated in a manner reflecting appreciation for their contributions to the program. This goes far in establishing the desired professionalism and attaining the objectives of the center.

Systematic procedures should also be established for presenting seminars and courses. Publicity, registration, course material, and supplies are the responsibility of the staff unless assumed by a volunteer. The easier it is for the CPA to provide assistance, the greater will be his participation and commitment.

## F. PROGRAM AND FINANCIAL RECORDKEEPING

Financial administration of the center is especially important because of its non-profit characteristics. Accounting systems, including a chart of accounts, revenue controls, budgeting, and office management and information systems are as important to the ARC as they are to its clients.

A chart of accounts, similar to the one in this manual (Exhibit VIII.24) is recommended. However, funding organizations may require use of their particular systems. For example, United Way members often adapt their charts of accounts to the reporting format used by the central office.

Revenue controls are particularly valuable when funds are limited or restricted, as may often be the case for ARCs. Accordingly, projections and budgets should be prepared by the treasurer, with the assistance of the executive director, for presentation to the board. Quarterly reports may be presented to the board as well as funding sources and friends of the center. Additional reports and program evaluation is discussed in Section IX.

The efficient retention and retrieval of correspondence and work papers are essential to the ARC. Care in establishing a filing system and its constant review benefits the entire program. Ideally, active files should be kept in locked, fire-resistant cabinets, in an area not available to the public. A sample filing system is included (see Exhibit VIII.25, p. 235).



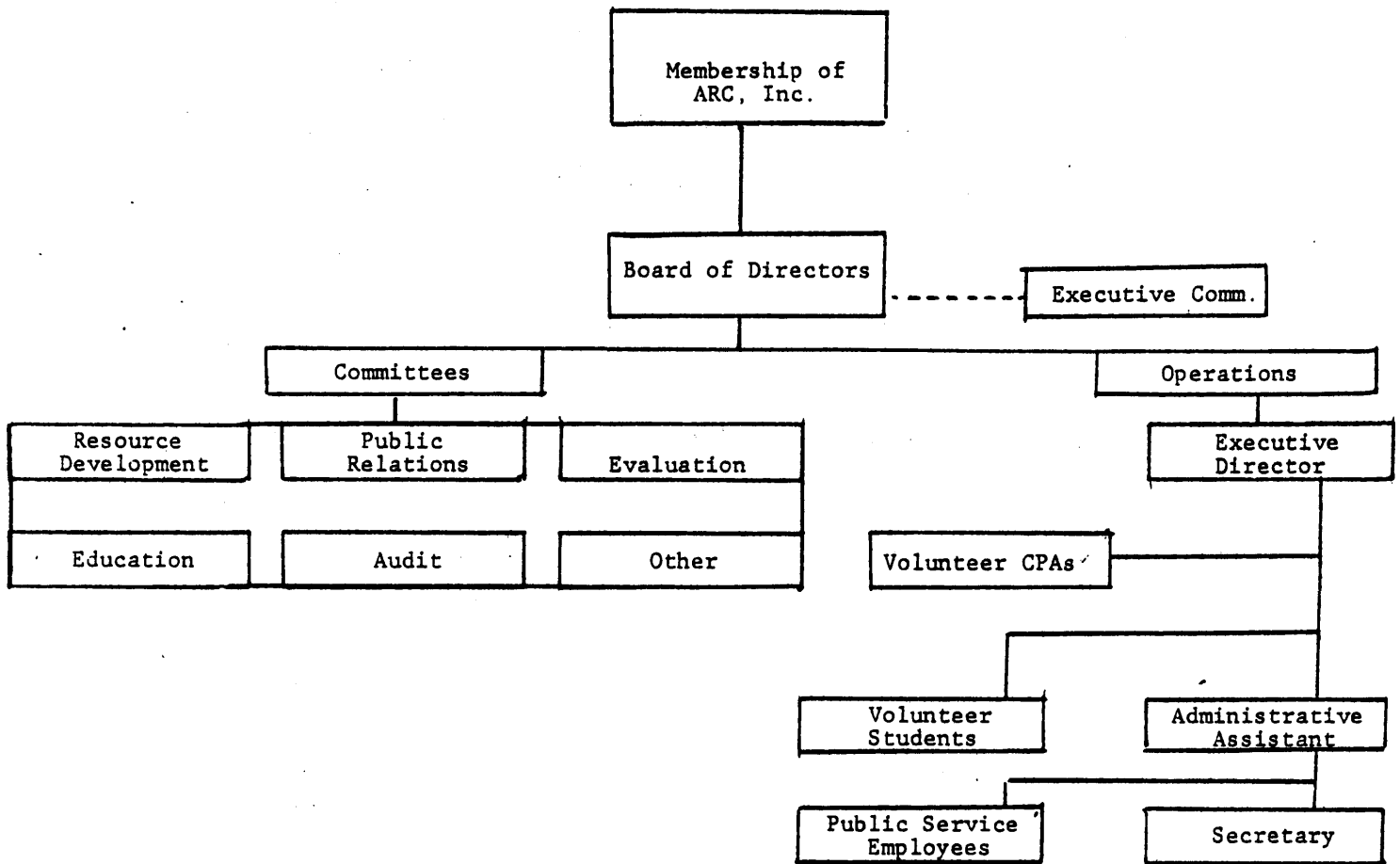
ACCOUNTING RESOURCE CENTERS, INC.

Philosophy of Practice

- PRACTICE: To provide to small businesses, non-profit organizations and individuals a broad range of accounting services, including tax and management advice.
- PROFESSIONAL COMMITMENT: To make the services of the certified public accountant (CPA) available to the segments of the society which needs them but cannot purchase or is unaware of them.
- COMMUNITY SERVICE: To direct the attention of business professionals to resolution of significant community problems.
- FEES: To provide services without fees to persons initially unable to purchase them.
- ORGANIZATION: To foster participation by volunteer CPAs in activities which will benefit their communities by means of an administrative center with limited staff.
- INTEGRITY: To be motivated by a true desire to provide assistance to those in need and not by public relations or political considerations.
- MORAL INTENT: To concern the accounting profession with the needs of the society in which it functions.



ORGANIZATION CHART





### PROCEDURE FOR CLIENT ASSISTANCE

1. Application for Assistance--at the initial meeting, applicant will complete Application for Assistance form.
2. Qualifications for Assistance--will be determined according to the guidelines set forth by the Board of Directors of C.A.A.S.
3. Qualifying Client--ground rules explained as to what is expected from him, maximum services to be rendered, maximum time (80 hours). Determine if client is at present, or in the past been services by an accountant. C.A.A.S. must obtain prior accountant's consent before proceeding.
4. Assistance Log--each applicant, qualifying or non-qualifying, will be assigned a client's number and extended in the log.
5. Assigning Volunteer CPA--an accountant matching the client's needs will be located in the volunteer file. He will be contacted and briefed on the needs of the client either via telephone or personal meeting, completing arrangements for assistance, including approximate starting time, location work to be done, etc.
6. Client--will be briefed as to name of accountant, approximate starting time, etc.
7. Executive Director of C.A.A.S. will meet with client and accountant to determine that there is a mutual understanding between the parties.  

Item Nos. 5, 6 and 7 may be accomplished at the same time.
8. Arrangement Letter--including a Waiver of Liability detailing services to be rendered will be sent to the client and the accountant.
9. Progress Report--accountant will be requested to complete a monthly progress report.
10. Final Report--accountant will be requested to complete a final report.
11. Follow-up--tickler file will be maintained by Executive Director of C.A.A.S. for follow-up with:
  - a. Accountant--on progress of his performance;
  - b. Client--to determine effect of the service.
12. Spanish-Speaking Clients--to minimize language barrier, obtain services of Spanish-speaking accounting student to aid the accountant and act as interpreter.
13. Completion of Service:
  - a. letter to client advising him that service has been completed and the approximate cost of the service if there had been a charge;
  - b. evaluation report on accountant and firm;

- c. letter to accounting firm thanking them for services rendered;
- d. update volunteer record card.

Source: CAAS, Hartford, CT.

CLIENT SERVICE DECISION MATRIX  
 Non-Profit and Small Business Clients

ACTIVITY	EXECUTIVE DIRECTOR	CLIENT COMMITTEE	CLIENT SERVICE VOLUNTEER	QUALITY CONTROL REVIEW VOLUNTEER	CLIENT	QUALITY CONTROL COMMITTEE	BOARD OF DIRECTORS
Request assistance from Community Accountants					R		
Initial investigation of Potential client	R						
Client acceptance	R						IA
Identification of volunteer	R		PA				
Select Community Accountants or firm quality control procedures	PA		R				
Monitor service offered by volunteer	R						IA
Preparation of final report	IA		R				
Review report with client	IA		R				
Signing final report	IA		R				
Notification of board of completed work	R		R				IA
Periodic spot checks of report quality	IA		IA			R	IA

KEY: R = responsible for taking direct action

IB = to be informed prior to action

PA = approval required prior to action

IA = to be informed after action





CLIENT SERVICE DECISION MATRIX  
Public Issue Clients

ACTIVITY	EXECUTIVE DIRECTOR	CLIENT COMMITTEE	CLIENT SERVICE VOLUNTEER	QUALITY CONTROL REVIEW VOLUNTEER	CLIENT	QUALITY CONTROL COMMITTEE	BOARD OF DIRECTORS
Request Assistance from Community Accountants					R		
In person initial investigation of potential client	R						
Client Acceptance		PA					R
Identification of volunteer	R		PA				
Select Community Accountants or firm quality control procedures	PA		R				
Prepare Client Service Program including time budget	IB		R				
Monitor Service Offered by volunteer	R						IA
Select Quality Control Review vol. from Quality Control list				PA		R	
Preparation of draft report	IA		R				
Quality Control Review	IA		IB	R			
Review final draft with client	R		R	PA			
Final approval of report for distribution	IA		IB			R	
Report Signing						PA	R
Report Distribution	R						IB
Post Report Review						R	IA

KEY: R = responsible for taking direct action      IB = to be informed prior to action  
 PA = approval required prior to action      IA = to be informed after action



APPLICATION FOR ASSISTANCE  
COMMUNITY SERVICE PROGRAM  
COMMUNITY ACCOUNTING AID AND SERVICES, INC.

Date \_\_\_\_\_

1. Applicant's:

Name \_\_\_\_\_

Telephone Number \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Business experience \_\_\_\_\_

2. Business:

Name \_\_\_\_\_

Telephone Number \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

3. Information regarding business:

a. Nature of business \_\_\_\_\_

b. When started \_\_\_\_\_

c. Sales volume: last year \$ \_\_\_\_\_, est. this year \$ \_\_\_\_\_

d. Profit or (loss): last year \$ \_\_\_\_\_, est. this year \$ \_\_\_\_\_

e. Number of partners or stockholders \_\_\_\_\_

f. Number of employees \_\_\_\_\_

g. Personal investment in business to date \_\_\_\_\_

4. Description of problem: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Service desired: \_\_\_\_\_  
\_\_\_\_\_

6. Is business currently being served by a public accountant? \_\_\_\_\_

7. Has business been served by a public accountant in the past? \_\_\_\_\_ When? \_\_\_\_\_

If yes, name \_\_\_\_\_

8. Referred to program by \_\_\_\_\_  
\_\_\_\_\_

-----  
DO NOT WRITE BELOW LINE

Area \_\_\_\_\_

Date received \_\_\_\_\_

Assigned to: \_\_\_\_\_  
\_\_\_\_\_

Date reviewed \_\_\_\_\_  
by Committee: \_\_\_\_\_

Date assigned \_\_\_\_\_

Follow-up \_\_\_\_\_



CLIENT DATA SHEET

CLIENT REQUEST # \_\_\_\_\_

NAME: \_\_\_\_\_ DATE \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE # \_\_\_\_\_ REFERRED BY: \_\_\_\_\_

PRINCIPALS: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

TYPE ORGANIZATION: \_\_\_\_\_

NEEDS: \_\_\_\_\_

ASSIGNED TO: \_\_\_\_\_

Has this organization ever requested CA services before \_\_\_\_\_

REMARKS



CASE WORKER'S SCREENING REPORT

CASE NUMBER: \_\_\_\_\_

ORGANIZATION'S NAME: \_\_\_\_\_

DATE SCREENED: \_\_\_\_\_

PLACE SCREENED: \_\_\_\_\_

CLIENT REPRESENTATIVES PRESENT:

(NAME/TITLE): \_\_\_\_\_

(NAME/TITLE): \_\_\_\_\_

SCREENED BY: \_\_\_\_\_

GENERAL COMMENTS: \_\_\_\_\_

PART A - SOCIOLOGICAL INFORMATION

(1) BRIEF STATEMENT OF THE PURPOSE OF THE ORGANIZATION

\_\_\_\_\_  
\_\_\_\_\_

(2) WHO ARE THE PRINCIPAL(S)

PRESIDENT: \_\_\_\_\_

EXECUTIVE DIRECTOR: \_\_\_\_\_

OTHER: \_\_\_\_\_

PART B - FINANCIAL INFORMATION

(3A) NOT FOR PROFIT \_\_\_\_\_ PROFIT MAKING \_\_\_\_\_

(B) IF N.P. COMMENT ON 501(C)3 STATUS \_\_\_\_\_

(C) INCORPORATION: \_\_\_\_\_ DATE \_\_\_\_\_

(4) SOURCES OF FUNDINGS: (Being as specific as possible: name of organization, how much, date of funding) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (5) BUDGET FOR CURRENT YEAR YES \_\_\_\_\_ NO \_\_\_\_\_  
ACTIVITY PLAN FOR YEAR (N.P. ONLY) YES \_\_\_\_\_ NO \_\_\_\_\_
- (6) FISCAL YEAR ENDING: \_\_\_\_\_
- (7) TAX RETURNS FILED: \_\_\_\_\_
- (8A) VOLUNTEER EMPLOYEES TOTAL \_\_\_\_\_
- (B) PAID EMPLOYEES \_\_\_\_\_
- (9) \_\_\_\_\_ Cash Receipt Journal \_\_\_\_\_ General Ledger  
\_\_\_\_\_ Cash Disbursements \_\_\_\_\_ General Journal  
\_\_\_\_\_ Payroll Journal \_\_\_\_\_ Financial Statements
- (10) ACCOUNTING NEEDS AS PERCEIVED BY SCREENER. (Be as specific and detailed as possible).  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- (11A) APPLICANT'S FINANCIAL ELIGIBILITY FOR C. A. SERVICES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- (B) STATEMENT SUPPORTING 11A \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- (12) TOTAL GROSS RECEIPTS OF PREVIOUS YEAR ENDING \_\_\_\_\_  
\_\_\_\_\_
- (13) RECOMMENDATIONS OF SCREENER: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



(14) ADDITIONAL COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(15) IF APPROVED FOR C. A. SERVICES, ESTIMATED NUMBER OF PROFESSIONAL  
HOURS \_\_\_\_\_  
SPREAD OVER A PERIOD OF \_\_\_\_\_

(16) DOES OR HAS APPLICANT EVER RETAINED SERVICES OF AN ATTORNEY? \_\_\_\_\_  
\_\_\_\_\_  
IF SO WHO AND WHEN \_\_\_\_\_

(17) HAS APPLICANT EVER RETAINED SERVICES OF AN ACCOUNTANT? \_\_\_\_\_  
\_\_\_\_\_  
IF YES WHO AND WHEN \_\_\_\_\_

(18) DO YOU BELONG TO THE NEIGHBORHOOD ASSISTANCE PROGRAM. \_\_\_\_\_  
\_\_\_\_\_

SIGNED \_\_\_\_\_

DATE \_\_\_\_\_

TIME:

TRAVEL \_\_\_\_\_

INTERVIEW \_\_\_\_\_

REPORT \_\_\_\_\_

TOTAL \_\_\_\_\_



## CLIENT LETTER OF REQUEST

March 15, 1973

### RE: Requirement for a Letter of Request

To our prospective Public Issue Client:

Before the Client Committee of Community Accountants can make a recommendation on any request for our services pertinent to a Public Issue Study, we must receive from the client a letter formally requesting our services. The letter of request must contain (though not necessarily be limited to) the following:

1. Information relating to the exemption status of your organization and, if exempt, under which section of the IRS code. (Please include a copy of your determination letter.)
2. Evidence of the public interest nature of your organization and of the particular issue under consideration.
3. Evidence that your organization is a viable, responsible organization, in a position to research the public interest nature of the issue, sincerely committed to the study and resolution of the issue.
4. As specific as possible, a description and clear definition of the issue; of the accounting aspects of the issue; and of the accounting services you would like us to perform.
5. Representation as to why your organization cannot afford to pay for the accounting services required.
6. An indication of the time deadline, if any, within which the public issue accounting aspects must be completed.
7. The person(s) in your organization who shall be responsible for the study and act as liaison with Community Accountants.

We wish to point out that in the event Community Accountants accepts your engagement, the dissemination of any report we issue must be by issuance of the report in toto, unless we give written approval for any condensation or excerpting from the report, if our name is to be associated with it. Further, we reserve the right to distribute copies of our report.

If accepted by us, there would be no fees charged for this assignment. However, any direct expenses incurred at your request will be paid by you.

Sincerely,  
COMMUNITY ACCOUNTANTS

A. William Sabatino,  
Executive Director

AWS/vtf



ENGAGEMENT LETTER

**C**OMMUNITY  
**A**CCOUNTANTS . . . *in volunteer service to the public*

EXECUTIVE DIRECTOR  
A. WILLIAM SABATINO  
November 6, 1978

The Penn Square Building - Suite 1008  
1317 Filbert, Philadelphia, Penna. 19107  
(215) 564-5986

Re: CA Client Request #10-78-16

Dear

Community Accountants is pleased to notify you that we have passed favorably on your request to us and have arranged for a volunteer Accountant to perform the following service we discussed: install a payroll system (refence your CETA employee) and general financial management advice.

, CPA with Corporation has been assigned to assist you and shall be contacting you soon.

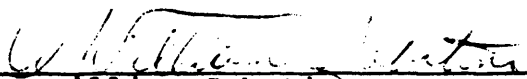
The Accountant and you will share the usual Accountant-Client relationship. The services will be provided at no fee; however, any direct expenses incurred at your request will be paid by you.

We expect to contact you regularly for progress reports, and by no later than two months from now we shall review your situation to determine whether further volunteer service is warranted.

If at any time while or after receiving Community Accountants' services you have questions or problems with which we can help, do not hesitate to call us. Please keep in mind that failure to keep appointments or cooperate with the volunteer disqualifies your organization for our services.

Please acknowledge your agreement to the above by signing and returning the enclosed copy; this letter is for your records.

Sincerely,

  
A. William Sabatino,  
Executive Director

\_\_\_\_\_  
Client Name

AWS/vtf



ENGAGEMENT LETTER (Another Form)

Dear

This will confirm the arrangements made in response to your request for assistance from Community Accounting Aid and Services, Inc. Our representative, Mr. \_\_\_\_\_ will perform the necessary work to accomplish the following:

It is understood that Community Accounting Aid and Services, Inc., does not make any claims, warranties or guarantees whatsoever with respect to any of the services provided by it or its volunteers. It is understood that any services rendered are supplied by unpaid volunteers. Therefore, Community Accounting Aid and Services, Inc., and/or any person associated with it will not be held responsible for any impairment of the business served. Community Accounting Aid and Services, Inc., and its officers, agents, representatives and volunteers are hereby released and discharged from any and all loss, liability and damage of any kind, nature or description arising out of such services.

It is important for you to realize that your cooperation is absolutely necessary in order for our services to be performed properly. Failure to cooperate fully could result in our re-evaluating our efforts and the possible discontinuance of our services.

Our services are provided on a no-fee-basis to those who are unable to purchase such services and those who do not already have a relationship with a public accountant. Generally we will offer our services until our agreed-upon objectives are fulfilled or up to a maximum of 80 hours of volunteer effort at which point we would re-evaluate our relationship in order to determine if further effort is warranted.

We are a non-profit organization which matches volunteer efforts of Certified Public Accountants to the needs of the community. As we expect you and your business to benefit directly from our help, we would hope that you would make a donation to our organization. This will enable us to continue to serve businessmen in the community.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

\_\_\_\_\_  
Executive Director





# National Association of Accountants for the Public Interest

233 Sansome Street • Room 400

San Francisco, California 94104

(415) 956-4400

MORTON LEVY  
Executive Director

## MODEL ENGAGEMENT LETTER

(Another Form)

Date

Client Representative  
Client Organization  
Street address  
City, State

Dear \_\_\_\_\_:

This is to notify you that our Executive Committee has agreed to accept an engagement for Accountants for the Public Interest to serve as consultants to your organization concerning the (DESCRIPTION OF CASE AS CLIENT SEES IT).

It is understood that we will assist you in (DESCRIPTION OF CASE AS API RELATES TO IT).

It is also understood that our work will be conducted in an objective, independent, non-advocative manner.

The dissemination of any material related to any written reports we issue must either be by issuance of the report in full or we must give written approval of any condensation or excerpting from the report if our name is to be associated with such dissemination. We reserve the right to distribute copies of the report.

There will be no fees charged for this assignment. However, you will reimburse us for any direct expenses incurred in the performance of tasks you have requested. It is understood that should there be a court award for attorneys' fees and costs on this case, you will consider a contribution to our organization.

Upon completion of this assignment, you will send us a written evaluation of our work.

Please acknowledge your agreement to the above by signing and returning the original of this letter.

\_\_\_\_\_  
Authorized Signature, Client

\_\_\_\_\_  
Authorized Signature, API







## VOLUNTEER VIEWPOINT

If you want my loyalty, interests and best efforts, remember that. . .

1. I need a sense of belonging, a feeling that I am honestly needed for my total self, not just for my hands, nor because I take orders well.
2. I need to have a sense of sharing in planning our objectives. My need will be satisfied only when I feel that my ideas have had a fair hearing.
3. I need to feel that the goals and objectives arrived at are within reach and that they make sense to me.
4. I need to feel that what I'm doing has real purpose or contributes to human welfare — that its value extends even beyond my personal gain, or hours.
5. I need to share in making the rules by which, together, we shall live and work towards our goals.
6. I need to know in some clear detail just what is expected of me — not only my detailed task, but where I have opportunity to make personal and final decisions.
7. I need to have some responsibilities that challenge, that are within range of my abilities and interests, and that contribute toward reaching my assigned goal, and that cover all goals.
8. I need to see that progress is being made toward the goals we have set.
9. I need to be kept informed. What I'm not up on, I may be down on. (Keeping me informed is one way to give me status as an individual.)
10. I need to have confidence in my superiors — confidence based upon assurance of consistent fair treatment, or recognition when it is due, and trust that loyalty will bring increased security.

In brief, it really doesn't matter how much sense my part in this organization makes to you — I must feel that the whole deal makes sense to me!

J. Donald Philips, President of Hillsdale College in Hillsdale, Michigan



**PROFESSIONAL VOLUNTEER QUESTIONNAIRE**

1. Would you/your firm be willing to participate in a volunteer program to offer accounting services to individuals and organizations unable to purchase such services? If so, please designate your firm's representative. \_\_\_\_\_  
\_\_\_\_\_
2. If you/your firm are interested, approximately how many man hours per month would you/your firm make available? \_\_\_\_\_
3. Would you/your firm make time available during regular working hours? \_\_\_\_\_
4. Have you/your firm made any commitments to render services under any program developed by other groups interested in this problem? \_\_\_\_\_
5. If so, please list the group(s)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
6. Would you/your firm be willing to serve on a committee to administer the program? \_\_\_\_\_
7. What is your/your firm's reaction to the commencement of such a program?

Firm \_\_\_\_\_

By \_\_\_\_\_

Address \_\_\_\_\_

Telephone No. \_\_\_\_\_ Zip \_\_\_\_\_

(For further comments, please use reverse side of this page.)





PROFESSIONAL VOLUNTEER DATA SHEET

NAME: \_\_\_\_\_ DATE: \_\_\_\_\_

MAILING ADDRESS: BUSINESS: \_\_\_\_\_

HOME: \_\_\_\_\_

TELEPHONE BUSINESS ( ) \_\_\_\_\_ BEST TIME TO CALL: \_\_\_\_\_  
NUMBERS HOME ( ) \_\_\_\_\_  
(check preference)

PROFESSIONAL STATUS: ( ) CPA ( ) FINANCIAL EXECUTIVE  
( ) PA ( ) FACULTY MEMBER  
( ) ACCOUNTANT ( ) STUDENT  
( ) OTHER-EXPLAIN ( ) BUSINESS COUNSE R

AREAS OF EXPERTISE: ( ) GENERAL ACCOUNTING ( ) TAXES  
( ) COST ( ) MANAGEMENT  
( ) SYSTEMS DESIGN ( ) POLICIES/PROCEDURES  
( ) BUDGETING ( ) BANKING  
( ) INTERNAL CONTROL ( ) INSURANCE  
( ) AUDITING ( ) OTHER (SPECIFY

OF THE THREE CATEGORIES OF CLIENTS (SMALL BUSINESS, NON-PROFIT ORGANIZATIONS, PUBLIC INTEREST/CONSUMER GROUPS) WHICH WOULD YOU PREFER? \_\_\_\_\_

REMARKS: e.g., any geographic or other constraints set on your volunteer assignments

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERSHIP IN PROFESSIONAL ORGANIZATIONS:

PICPA CHAPTER \_\_\_\_\_

NAA CHAPTER \_\_\_\_\_

OTHERS (SPECIFY) \_\_\_\_\_



Source: Community Accountants,  
Philadelphia, PA

ORIENTATION SHEET  
FOR  
NEW VOLUNTEERS

BACKGROUND

Community Accountants is a non-profit Community-involvement organization of Accountants who volunteer their professional services on a pro bono publico basis to Clients who need accounting assistance but cannot afford the costs of the help they need.

COMMUNITY ACCOUNTANTS has been in existence informally since 1968; was incorporated in May 1974 and has had full-time, salaried administrative staff since February 1975.

COMMUNITY ACCOUNTANTS' CLIENTS

Community Accountants services three categories of clients:

- (a) Small, disadvantaged businesses;
- (b) non-profit, community-based organizations involved in humanitarian, social, educational or cultural work;
- (c) public interest or consumer groups

To qualify, a client must be able to demonstrate a real need and the inability to pay.

COMMUNITY ACCOUNTANTS' VOLUNTEERS

.. Are qualified accountant-professionals engaged in public accounting, industry and academia, encompassing a wide-range of endeavors and fields of specialization.

.. Sometimes include student volunteers who are upperclass accounting majors participating in CA' program under close professional supervision.

COMMUNITY ACCOUNTANTS' STAFF

The Staff of Community Accountants consists of:

- (a) an Executive Director
- (b) an Administrative Secretary
- (c) a Staff Accountant
- (d) a Typist, and
- (e) two student interns working on a non-salaried, co-operative educational basis.

COMMUNITY ACCOUNTANTS' PROCEDURES

The staff of Community Accountants:

- (a) receives requests from Clients
- (b) visits with each client, on site, and rigorously screens the request to determine whether eligible as a proper CA' Client:

whether the Client appropriately fits one of the three Client categories; whether in fact the Client truly cannot afford to pay for the services needed; etc.

For qualifying Clients, the Staff will:

- (a) recruit a volunteer accountant willing to perform the required services on a pro bono publico basis;
- (b) issue a letter of engagement to the Client stipulating the work to be performed;
- (c) issue an engagement letter to the volunteer, with supportive documentation (Client Data Sheet, Caseworker's Screening Report and Client Agreement letter;)
- (d) monitor the progress of the engagement on a regular basis and record monthly progress reports;
- (e) resolve any problems arising from the Client or the volunteer;
- (f) issue notification of case completion at appropriate time, recording and giving credit to the accountant for the number of volunteer hours spent on the engagement;
- (g) keep records for each volunteer on the total number of public service hours contributed;
- (h) issue certificates of "Public Service Achievement", once per year, to volunteers who demonstrate outstanding levels of contribution.

#### VOLUNTEERS' RESPONSIBILITIES

- (a) service the Client professionally and in a timely manner, as with any fee-paying Client-Accountant relationship;
- (b) accept no fee for the engagement;
- (c) render all and whatever accounting services have been determined by CA as the Client's needs, except for the audit function; (CA does not perform audits.)
- (d) accept all travel expenses as out-of-pocket and not bill-able to the Client or to CA;
- (e) carefully record the number of volunteer hours expended in the course of the engagement, which hours are to include all travel time;
- (f) be consciously aware of the Client's socio-economic level and background, and exert every effort to respond accordingly;
- (g) submit to CA, upon completion of the engagement, a final report summarizing the services rendered, the outcome and the total number of hours expended;
- (h) where appropriate, prepare and send to CA a "Constructive Services Letter" which CA in turn will forward to the Client.

PROFESSIONAL VOLUNTEER ASSIGNMENT LETTER

November 29, 1978

CPA

Glenside, Penna. 19038

Re: CA' Client #10-78-16

Dear Art:

On behalf of Community Accountants and the Accounting Profession, we thank you for accepting (CA #10-78-16) as your public service Client.

Enclosed, copies of the Client Data Sheet, the Caseworker's Screening Report and a CA' Reporting form.

Please contact the client at your very earliest opportunity. A copy of our agreement with the client is also enclosed for your information.

If any problem should ever arise with the engagement, please inform us immediately. Upon completion we appreciate a written report summarizing the services rendered, the outcome and the amount of time you spent on the case--to include your travel time. With the final report we welcome frank comments and recommendations regarding Community Accountants' methods of client selection, procedures and program of operation.

We shall telephone you periodically about the progress of the engagement, in order to complete the reporting forms required of us.

express appreciation for your community-minded spirit and your volunteer service rendered on behalf of the public good.

Sincerely yours,

A. William Sabatino,  
Executive Director

WMS/vtf

Encs.



## THE VOLUNTEERS

### The Volunteer's Responsibilities

As summarized in the Volunteers' Orientation Sheet which follows this Section of the Manual and is sent to each new volunteer, a volunteer's responsibilities are to:

- service the client professionally and in a timely manner, as with any fee-paying client-accountant relationship
- accept no fee for the engagement
- accept travel expenses as out-of pocket and not billable to the client or to Community Accountants except in unusual circumstances agreed upon in advance
- record the number of volunteer hours expended in the course of the engagement, which hours are to include travel time
- be consciously aware of the client's socio-economic level and background, and exert every effort to respond accordingly;
- submit to Community Accountants, upon completion of the engagement, a final report summarizing the services rendered, the outcome and the total number of hours expended
- where appropriate, prepare and send to Community Accountants a "Constructive Services Letter" which Community Accountants will review and forward to the client

### Liability

Volunteers are expected to establish a relationship with their Community Accountants' client modeled on the standard client-accountant relationship.

Thus, volunteers are expected to contact the client at the earliest reasonable opportunity after receiving the assignment letter... to comply with appropriate quality control procedures...to render their services as efficiently and in as timely a manner as they would to fee-paying clients.

It is expected that in the performance of Community Accountants' engagement volunteers will adhere to standards of professionalism generally accepted in the accounting community.

Therefore, a volunteer assisting a profit-making or non-profit Community Accountants' client accepts the same professional responsibilities and obligations as would apply in any client-accountant relationship.

For these engagements, any written report to the client would be from the volunteer and issued on the volunteer's letterhead.

For Public Issue cases, any report prepared for the client would be drafted by the volunteer; reviewed, finalized, and issued by Community Accountants; signed by a Community Accountants' officer; and issued on Community Accountants' letterhead.

In all cases, Community Accountants carries a one million dollar professional liability insurance policy covering staff, volunteers and the Board of Directors.



PROFESSIONAL VOLUNTEER'S MONTHLY REPORT  
Month Ending \_\_\_\_\_

Progress Report \_\_\_\_\_  
Final Report \_\_\_\_\_

Client (Company, Corporation, etc.) \_\_\_\_\_

D/B/A \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Referral Agency \_\_\_\_\_

Principal(s) \_\_\_\_\_ Volunteer \_\_\_\_\_

Type of Business \_\_\_\_\_

Type of Service Rendered: \_\_\_\_\_

\_\_\_\_\_

Progress to Date: \_\_\_\_\_

\_\_\_\_\_

Remaining Workload: \_\_\_\_\_

\_\_\_\_\_

Names of Other Participating Volunteers: \_\_\_\_\_

Number Hours this Report: \_\_\_\_\_ Total Number Hours to Date: \_\_\_\_\_

\_\_\_\_\_  
Volunteer Signature

NOTES:

1. Report should be completed and forwarded to Community Accounting Aid and Services' office within four days after the end of the month reported on.

Source: Community Accounting Aid and Services, Inc., Hartford, CT.



**VOLUNTEER RECORD CARD**

\_\_\_\_\_ Area

\_\_\_\_\_ CPA or Firm Name \_\_\_\_\_ Firm Representative \_\_\_\_\_ Telephone

\_\_\_\_\_ Street Address \_\_\_\_\_ City \_\_\_\_\_ Zip Code

Assignment limitations or preferences: \_\_\_\_\_

Remarks: \_\_\_\_\_

Hours Volunteered \_\_\_\_\_

Log No.	Name of Applicant	Date Assign.	Date Compl.	Hrs.	Comment



STUDENT STAFF APPLICATION

NAME \_\_\_\_\_ DATE \_\_\_\_\_

ADDRESS: Temporary \_\_\_\_\_ Phone No \_\_\_\_\_

Permanent \_\_\_\_\_ Phone No \_\_\_\_\_

ACADEMIC BACKGROUND

a. undergraduate \_\_\_\_\_ major \_\_\_\_\_

b. graduate \_\_\_\_\_ major \_\_\_\_\_

c. semester hours in:	<u>Undergrad.</u>	<u>Graduate</u>
Accounting	_____	_____
Related Business Courses	_____	_____
Other Specialty _____	_____	_____

d. Grade Point Average

    Accounting \_\_\_\_\_

    Overall \_\_\_\_\_

e. Awards/Honors \_\_\_\_\_

AVAILABILITY

<u>Month(s)</u>	<u>Est. Hours</u>	<u>Best Days/Hours of the Week</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

BUSINESS EXPERIENCE (use reverse side if necessary):

1. Employer and dates \_\_\_\_\_  
Nature of duties \_\_\_\_\_

2. Employer and dates \_\_\_\_\_  
Nature of duties \_\_\_\_\_

REFERENCES (only one is required, preferably an accounting professional):

1. \_\_\_\_\_

MAIL TO:



STUDENT VOLUNTEER COMPONENT

Goal:

To conduct a student volunteer component as an integral part of the overall Community Accountants' volunteer program.

Objectives:

- (1) To increase the volunteer reservoir and a fortiori the client-load capacity, by adding student volunteers to the volunteer rolls.
- (2) To alleviate some staff burdens not only with regards to direct service assignments but with administrative tasks as well.
- (3) To allow for the possibility of various degrees of student participation in Community Accountants' Program, by offering several distinct forms of student volunteer involvement, namely: (a) the student internship; (b) direct service volunteers; (c) staff aides; (d) research interns.
- (4) To broaden the horizon of public interest accounting awareness by exposing students to this aspect of the accounting profession's responsibilities.

Program Plans:

I. Interns:

- (a) The internship program shall be a three-fold experience in:
  - . direct accounting services
  - . administration of a non-profit agency
  - . exposure to concerns in urban sociology
- (b) There shall be no more than 2 interns accepted by Community Accountants into the Internship Program per school semester.
- (c) Acceptance into the program shall be based upon Community Accountants' receipt of a formal written letter of application which letter shall supply information as to why the student wishes to be a part of this program; what the student hopes to contribute to it and receive from it; convincing reasons why this student should be accepted into the Internship.
- (d) Community Accountants should strongly encourage all intern applicants to seek academic credit from their respective schools for the time spent in Community Accountants' Internship.
- (e) Community Accountants should develop close relationships with appropriate departments at the various schools, in order to foster the Community Accountants student programs and to encourage the issuance of academic credit to Community Accountants' interns.

- (f) No intern shall be accepted into the program unless the student shows clear evidence of a commitment to (a minimum of) 9 hrs per week to be spent at Community Accountants' offices. A recommendation from one of the student's accounting professor's regarding the student's responsibility/reliability shall be weighed heavily.
- (g) No student shall be accepted into the Internship unless that student has a declared major in the field of accounting.

In general, interns should have completed at least five regular college semesters; that is, should be in the second semester of their Junior Year.

In general, interns should have completed at least six (6) courses in accounting.

- (h) Community Accountants' Student Interns shall be supervised, monitored and evaluated in the follow manner:
  - . on direct assistance casework, either by the Community Accountants Accounting Director or by the professional volunteer assigned as supervisor
  - . on administrative chores, 75% by the Community Accountants' Executive Director and 25% by the Accounting Director.
  - . on urban experiences, by the Executive Director.
  - . at the conclusion of the internship, within 2 weeks from the closing date, the following 2 reports must be filed in Community Accountants files with copies to the Chairperson of Community Accountants' Human Resources Committee and/or the President of Community Accountants' Board:
    - i. an evaluation report by the intern. To include the following parts:
      - . a summary of the services rendered
      - . a summary of the outcome or results stemming from these services
      - . a summary, by categorical breakdown, of the total time contributed as a volunteer on the internship.
      - . a critique and evaluation, 'pro's' and 'con's', of the Internship experience, with specific criticisms and recommendations to Community Accountants.
    - ii. The Executive Director and the Supervisor (either the Community Accountants' Accounting Director or the professional volunteer) shall prepare a joint evaluation on the intern, to include the following parts:
      - . accounting ability
      - . personal rapport with clients
      - . openness toward growth, learning
      - . degree of interest expressed
      - . level of commitment expressed
      - . profitability/results achieved, for Community Accountants, for the Student
      - . overall performance rating and recommendations



## II. The Direct Service Student Volunteers:

- (a) Community Accountants shall routinely accept four (4) students per each semester in the Direct Service Program. These students shall be supervised by the Accounting Director. Furthermore, up to as many as six (6) additional students maybe accepted into the direct service program if Community Accountants' staff has secured professional volunteers willing to supervise these students on their direct service cases. No students shall be accepted without supervisors, however.
- (b) The student volunteers in this program shall be assigned one (and only one client) direct service case to work on at any given time. The procedures shall be as follows: upon receipt of an assignment package, the student volunteer and the supervisor shall make arrangements to proceed together to the client site for the initial meeting with the client. After the initial meeting, student and supervisor shall prepare a work program for the completion of the accounting services. Thereafter, the student is expected to perform the services and check with the supervisor once per week. As is the case with all volunteers, students in this program shall be asked to give monthly progress reports to the Community Accountants' Executive Director' and, to complete a standard final report form upon completion of the engagement.
- (c) To the greatest extent possible, Community Accountants will strive to treat the students in this direct service program exactly as the professional volunteers.

## III. The Volunteer Aids:

Students who do not have an adequate/substantial academic background in the field of accounting to qualify as interns or for the Direct Service Program, can apply to be volunteer aids.

If accepted, the volunteer aids shall become involved in such functions as:

- . assistance with the in-house administrative chores; bookkeeping, posting and related assignments for clients.

## IV. The Research Interns:

Each semester Community Accountants will accept a limited number of students who shall function as research interns. The number of research interns to be accepted shall be determined by the following inputs:

- (a) Each Public Issue case may stipulate a certain number of interns.
- (b) Each semester the Accounting Director may request a research intern for assignment on special projects.



**CHART OF ACCOUNTS**

**EXHIBIT VIII.24**

ASSETS

10000	Cash in Bank - General Checking
10100	Cash in Bank - Payroll Checking
10200	Cash in Bank - Savings
10300	Petty Cash
10600	Interfund - Link
10700	Interfund - Flint
10800	Interfund Transactions - CETA FUND
10900	Interfund Transactions - NSD FUND
11000	Interfund Transactions - Marpower FUND
11500	Accounts Receivable
11600	Reimbursable Expenses
12000	Office Equipment
12100	Accumulated Depreciation - Office Equipment
13000	Prepayments
	A - Rent
	B - Professional Liability Insurance
	C - General Liability Insurance
	D - Workman's Compensation Insurance
13500	Deposits
14000	Advances to Employees

LIABILITIES & FUND BALANCE

20200	Federal Withholding Taxes
20300	State Withholding Taxes
20400	City Withholding Taxes
20500	Flint Withholding Taxes
20600	Tax Deferred Annuities Withholding Account
20700	United Way Withholdings
20800	Miscellaneous Withholdings
20900	Savings Bonds Withholdings
21000	Accounts Payable
21100	Salaries Payable
21200	Loans Payable
24000	Deferred Revenue
25000	Fund Balance

REVENUE

30100	Foundation Grants
30200	Government Grants
31000	Donations - Accounting Firms
31100	Donations - Corporations
31900	Donations - Other
32000	Fees for Service
33000	Other Revenue

EXPENSES

<u>40000 - 41000</u>	<u>PERSONNEL</u>
40000	Executive Director
40100	Program Director
40200	Legal Director
40300	Management Director
40400	Consulting Staff
40500	Clerical Staff
40600	Secretary
40700	Accounting Director
40800	Planning Director
41000	Speakers/Consultants (Outside)
<u>41100 - 41700</u>	<u>FRINGE BENEFITS</u>
41100	Health Insurance
41200	Educational Benefits
41300	Workman's Compensation Insurance
41400	MESC Contributions
41500	Monthly Parking
41600	Pension Contributions
<u>41800 - 49900</u>	<u>OTHER EXPENSES</u>
41800	Building Rent
41900	Office Supplies
42000	Books & Periodicals
42100	Telephone
42200	Utilities
42300	Printing
42400	Postage
42500	Office Equipment - Purchase
42600	Office Equipment - Rental
42700	Depreciation
42800	Maintenance
42900	Local Transportation
43000	Travel
	A - Transportation Costs
	B - Meals
	C - Lodging
43100	Meetings/Seminars
43200	Bonding
43300	General Liability Insurance
43400	Professional Liability Insurance
43500	Bank Service Charges
43600	Taxes & Fees
49900	Miscellaneous



## ADMINISTRATIVE FILES

Every ARC should control its administrative files by subject. Standard numerical indexing greatly improves filing efficiency and makes possible any number of subcategories. Administrative files can be divided into four categories, as in the following example:

- 1.00 Executive Director's Files
  - .01 Funding
  - .02 Banking and bookkeeping
  - .03 Accounts payable
  - .04 Proposals
  - .05 Leases
  - .06 Office floor plan
  - .07 Equipment
  - .08 Furniture
  - .09 Stationery and supplies
  - .10 Communications system
  
- 2.00 General Files
  - .01 Committees
  - .02 Manuals
  - .03 Volunteers
  - .04 Publications
  - .05 Professional matters
  - .06 Technical matters
  - .07 Miscellaneous
  
- 3.00 Confidential Files
  - .01 Client matters
  - .02 Tax matters – ARC
  - .03 Board of Directors
  - .04 Budgets
  - .05 Program development
  - .06 Contributions
  
- 4.00 Personnel Files
  - .01 Personnel benefits
  - .02 Personnel procurement
  - .03 Personnel records
  - .04 Personnel evaluations
  - .05 Training
  - .06 Personnel regulations

The executive director determines how many copies are kept and where each file is located.

Client and Volunteer file cards should include cross-references to each other and to related administrative files.





## IX. PROGRAM EVALUATION

### A. SUMMARY

The elements of the ARC's operations which are essential to providing quality service should be summarized in a quality control statement. Periodic reviews by the board of directors and by independent committees are recommended.

A simple review procedure for the center may be:

1. executive director reviews daily work of office staff and volunteer CPAs, reporting monthly to the board of directors;
2. the board of directors, semi-annually, reviews the overall program and publishes written reports;
3. a committee not associated with the center performs a review, annually, based on the quality control statement of the center and publishes its findings.

Efforts should be made to determine the actual contributions of the ARC to the community and the profession.

### B. QUALITY CONTROL STATEMENT

The integrity, competence and motivation of the individuals associated with the ARC influence the quality of the services rendered. Quality control policies and procedures ultimately reflect the persons participating in the center's operations, both as volunteers and employees.

The board should prepare a summary of the elements of the operations which are essential to providing quality service. The summary may become the center's quality control statement. It may be composed of information contained in other documents such as the statements of philosophy, objectives and procedures. The quality control statement should address the following subjects, referring to where they are fully described:

1. office management and personnel;
2. client acceptance and retention;
3. recruitment of volunteers and clients;
4. coordination of staff, volunteers and clients;
5. conduct of engagements;
6. supervision and review;
7. evaluation procedures.

A periodic compliance review may be performed by a board committee, independent group such as a state society committee, another ARC or a specially designated CPA body.



C. PERIODIC REVIEW BY BOARD

Since accountability for success or failure of the program rests primarily on the board of directors, their periodic review of operations is of great importance. It offers the opportunity to correct and improve the program continually and to monitor the benefits conferred by the center. A standing committee may be established for this function (see p. 62).

The board should review the executive director's performance. His monthly reports may be checked for accuracy, continuity and accomplishments. In addition, his staff may be interviewed about services and morale at the center.

The reports and documents generated by operations are helpful in identifying negative and positive elements of the program. Office records reveal the level of compliance with established procedures, budgets and forecasts. Reports by CPA volunteers, supplemented by interviews, inform the board on how well services were performed. Clients' evaluation forms provide feedback on the program from a different perspective; if such forms are not used, client interviews may be desirable. Finally, the board of directors' own minutes of meetings indicate problems of particular concern and how they were handled.

Board members should maintain an active interest in the affairs of the center. It may be desirable to include in the evaluation procedure a review of each director's performance and contributions.

D. INDEPENDENT REVIEW

It is recommended that a review of the center be also performed by persons not directly associated with it. The state society of CPSs or one of its committees may agree to perform this function. If not, the board may appoint a special committee composed of community persons or of CPAs, or a combination of both.

The ARC's quality control document would be particularly helpful in such a review. However, the board and the committee may want to establish different guidelines. Some funding sources perform reviews using their own standards and procedures.

E. PROGRAM ANALYSIS TECHNIQUES

As part of the evaluation process, cost/benefit analyses should be made to determine the actual contributions of the center to the community and to the profession. It is recommended that:

1. objectives for which the center exists be clearly defined;
2. clients be monitored after services are terminated;
3. statistical comparisons be made between conditions existing before and after services were introduced;
4. audits by independent outsiders be conducted to determine compliance with established procedures;
5. reports of accomplishments be presented annually by the board of directors.

The evaluations by the board or the independent auditors should seek to identify the actual benefits conferred on clients by the center. Initially, this may be done by listing the types and quantity of assistance rendered, for example, tax returns, 1,200, business loan applications, 25, etc.

In time, however, it is essential that the center indicate the long-term benefits of its services. For example, business assistance may be listed in terms of failures versus successes among clients served, with the latter being analyzed by sales volume, employees hired, taxes paid, etc. This may give some indication of the economic impact of the center on the community it serves.

It may also be valuable to analyze benefits conferred to non-profit organizations and individuals in terms of programs initiated, funding received or educational courses conducted as a result of services provided by the ARC.

It may not be possible to quantify the contributions of the center to the community and to the profession. No system of measuring return on charitable "investments" has yet been established. Nevertheless, if the center dedicates itself to assisting those in need and to providing a benefit to the community, there is good reason to believe that all who "invest" in it will be fairly rewarded.



QUALITY CONTROL STATEMENT – Community Accountants, Philadelphia, PA

Quality Control Procedures For Profit-Making and Non-Profit Clients

INTRODUCTION

These activities include the provision of internal accounting and financial assistance to small, disadvantaged businesses and nonprofit organizations. Generally, the accounting services are similar for both types of clients, and include such functions as the training of bookkeepers, the installation of accounting systems, general financial management advice, assistance with loan and grant proposals, filing of tax returns and other forms, preparation of financial reports and assistance given under unusual or emergency situations. These programs do not generally include an extensive reconstruction of records, ongoing bookkeeping or the performance of audits. Emphasis is placed on short-term assistance, up to a maximum of five months rather than on long-term aid. These two client categories are instructed on the need to plan for retaining an accountant on a continuing basis and establishing a client/accountant relationship on a fee-paying basis at the earliest possible time.

ACCEPTANCE OF A CLIENT

Clients call or write to request service. In phone conversations with the client, a Client Data Sheet should be completed and an on-site screening assigned. A Caseworker's Screening Report should be prepared and received by the Executive Director to reach a decision on whether the client request for service is appropriate. (Criteria for acceptance include: 1.) that the client has the capacity in time and talent to avail itself profitably of the accounting services; 2.) that there is a clear definition of the accounting work to be performed; 3.) that the client cannot afford to pay for the services of a professional accountant in the matter under request.)

Either a Decline Letter or a Client Agreement Letter should be prepared for all direct service clients. The agreement letter should be signed by both the client and the Executive Director and should include an adequate description of the services to be rendered; an agreement by the client to submit an evaluation upon the completion of the case; and an acknowledgement that there will be no fees charged but that expenses will be reimbursed by the client; a copy is retained by the client and a copy is returned to Community Accountants.

PLANNING, ASSIGNMENT AND STAFFING

After a client is accepted, the Executive Director should assign a volunteer. Most important is reasonable assurance that the work will be performed in a timely manner and with the necessary degree of professional quality.

An adequate number of volunteers should be assigned relative to the complexity, scope, size and deadline of the case. A qualified and experienced professional should be placed in charge of the engagement wherever more than one volunteer is assigned and whenever student volunteers are assigned. A volunteer Engagement Letter should be issued. If the volunteer is new, a Volunteer Orientation Sheet should also be sent to the volunteer.

#### WORK PAPERS

Work papers should be maintained by the volunteer on all such cases in conformity with good professional standards.

#### COMMUNITY ACCOUNTANTS' CLIENT FILES

These should include: memos on all conversations, meetings and materials related to the case. The following documents are among those which should be found in each direct service case file:

1. Client Data Sheet
2. Caseworker's Screening Report
3. Decline Letter or signed Client Agreement Letter
4. Volunteer Engagement Letter
5. Other correspondance and pertinent background data.
6. Time budget
7. Assignment sheet (volunteers, staff, etc.)
8. Time summary
9. Summary of work performed
10. Volunteer Report to Client, if prepared
11. Volunteer Constructive Services Letter, if prepared
12. Evaluation report from client where submitted
13. Volunteer Acknowledgement Letter.

#### Quality Control Procedures For Public Issue Clients

An adequate number of volunteers should be assigned relative to the complexity, scope, size and deadline of the engagement. A qualified

and experienced professional should be placed in overall charge of the engagement. Unless such person is a member of the local board of directors, a board member should be given the responsibility of being the liaison representative of the board who would be charged with conveying board policy to the volunteer team. This person should also be responsible to the board for the conduct and progress of the engagement, and the timely issuance of the report, and should also be alert to the possible necessity of informing the staff that supplementary or replacement volunteers may be required.

Volunteers should be instructed to consult with the supervisor or board member in charge of the engagement whenever they feel the need, particularly in those sensitive areas where the reassurance of a second judgement would be prudent. Differences of opinion on material matters between volunteers and their supervisor should be referred to the local Executive Director, Case Committee or Board for resolution. If a conflict cannot be resolved at this level, it should be referred to API's Executive Director who will attempt to mediate the matter to the satisfaction of all. However, the local board shall be responsible for the final decision.

Conflicts of interest should be considered and avoided in the assignment of volunteers to the engagement. Each volunteer should be asked to ascertain that: (1) the assignment will not cause a conflict between the volunteer's firm and a client of that firm and (2) he and his family are not materially affected by the outcome of the case's issue. If a local board member or close relative serves as an official of the client organization, that board member should abstain from consideration of and participation in that case. Further provisions for assuring independence are contained hereafter under "Conduct and Review of Work".

#### WORK PAPERS

The work papers should serve as an aid to the volunteer team in the conduct and coordination of the work, and provide the essential support for the data to be presented in the report. The work papers should contain memos of all meetings and discussions related to the engagement, records of procedures followed and assumptions used, and should show the source of information obtained and conclusions reached. The following documents are among those which should be included in the file:

1. Letter of request from the client
2. Screening report on evaluation of case
3. A copy of the relevant committee minutes approving the case.
4. Signed engagement agreement.
5. Other correspondence and pertinent background data.
6. Preliminary work program and time budget.
7. Assignment sheet (volunteer, staff, board liaison, etc.)

8. Final work program and time summary.
9. Work papers containing support and documentation for all assumptions used and all data presented in the report.
10. Work paper review notes with no unanswered questions.
11. Drafts of report, review notes, final report, evaluation letter from client (if appropriate).

The work papers should be fully indexed to facilitate adequate review and logical compilation of the written report.

#### CONDUCT AND REVIEW OF WORK

The exercise of due professional care in the conduct of an engagement implies, among other things, that prior to releasing a report, a critical review and evaluation has been made of the work and judgement of those directly involved in the field work. A high level of quality control should be maintained on a continuing basis through an extensive review policy. This review policy should include a basic review, which includes both continuing review by the supervisor in charge, and an overall review by the board liaison member on the engagement. (1) The basic review should cover an evaluation of the conclusions reached, an inspection of work papers to see that they clearly indicate work performed and support those conclusions, a determination that the evidence obtained is sufficient to support the conclusion, and a determination that the report presents the results of the engagement concisely and accurately.

The review by the board liaison person(1) should be designed to satisfy that person as to overall adequacy of the approaches taken, the work papers in support of the conclusions reached, and the accuracy and adequacy of the report.

Continuing and constant attention must be given to provide reasonable assurance of independence and objectivity in the conduct of the work and the issuance of the reports. The first step in the process is the insistence that the client recognize these factors in advance, as indicated above in the reference to engagement agreements. Independence has traditionally been defined by the profession as the ability to act with integrity and objectivity. Integrity is an element of character and personal quality. Objectivity refers to the maintenance of an impartial attitude. This integrity and attitude must be maintained in the selection of cases, the conduct of the work, and the issuance of the report on the engagement. The focus should be on the gathering and presentation of factual data, without taking sides in the underlying issues involved. No person involved in the

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- (1) For those cases where the board liaison member is the supervisor in charge, the overall review should be conducted by someone selected by the Client Committee.

engagement should have any direct or materially indirect financial interest in the case. Care should be taken that, in all matters relating to the assignment, an independence in mental attitude is to be maintained. Particular attention should be paid, in the supervisory and review processes, that philosophical bias does not influence the conduct of the engagement.

## REPORTS

Wherever possible and appropriate to the circumstances, reports should be in writing. As indicated above, all reports should be approved by a committee composed of at least five board members. Since no audits are performed, reports should contain an assertion to the effect that no opinion can be expressed regarding the financial data presented, along with the reasons therefor. It is necessary to take all reasonable precautions to assure that the appropriate degree of responsibility is clearly specified when the organization is associated with any written or oral financial presentations.

Reports should be carefully worded and the data contained therein fully supported by the working papers. They should contain a summary of the request for services and a clear and concise summary of the findings and conclusions. All material assumptions used in the conduct of the work should be indicated. Sources of pertinent data should be indicated in the body of the report or in a bibliography attached thereto.

Due care should be taken to assure that the language used reflects the objective posture previously referred to.

Where possible, a draft of the report should be reviewed with all parties having an interest in the case prior to its release.

## POST-ISSUANCE REVIEW

API shall establish procedures for post-issuance review of reports issued by local organization members. The review will be primarily concerned with the compliance with these quality control standards, and with the clarity, objectivity, and quality of the reports. The results of each case review will be reported to the organization members and to an appropriate API committee. The reviews will serve as a means of measuring adherence to our departures from these minimum standards. They may also indicate where further expansion or clarification of the standards are desirable. They are expected to serve the constructive purpose of improving the quality of future reports issued by the organization member.

An additional review will be performed by API staff person as part of overall review by means of an annual on-site visit. Work papers will



be reviewed on a test basis on cases completed during that year and on jobs then in progress. Particular attention will be given to the responses by the local organization to the suggestions contained in previous review critiques.

### INADEQUATE COMPLIANCE

The Quality Control and Local Case Review (QCLCR) committee shall attempt to resolve instances of inadequate compliance with these minimum standards by means of recommendations of corrective action which should be taken by the organization member. Significant or repeated deviations shall be reported to the executive committee for the determination of sanctions to be taken against the offending organization member, which can include expulsion from membership in API.

#### Quality Control Summary and Checksheets

The two checksheets which follow are to be used with all clients and are an important part of the quality control procedures.

--"QC-DS" which monitors the quality control procedures followed in all direct service cases.

--"QC-PI" which monitors the quality control procedures followed in public-issue cases.

--"QC-BG" summarizes the Quality Control guidelines adapted by the Community Accountants' Board of Directors on April 1, 1976.

#### The Signature 'Community Accountants'

A Public Issue Report which has been approved for issuance must be signed by a Community Accountants' officer authorized to sign Community Accountants' reports.

The signature 'Community Accountants' can be signed only by the following members of the Board of Directors and by no other persons; a file of these signatures is maintained at the Community Accountants' office;

The President of the Board of Directors, in the first instance;

The Vice-President of the Board of Directors, only in the absence of the President;

The Chairperson of the Quality Control Committee, only in the absence of the President and Vice President.

In the absence of all three above parties, only a special session of the Board of Directors can authorize that the Signature 'Community Accountants' shall be signed and who shall so sign.

QUALITY CONTROL - DIRECT SERVICE

PROFIT-MAKING/NON-PROFIT

CASE# \_\_\_\_\_

Source: Community Accountants, Philadelphia, PA

	<u>SIGNATURE</u>	<u>DATE</u>
Client Data Sheet Completed (CDS)	_____	_____
Screening Assigned	_____	_____
Client Screening Report Prepared (CSR)	_____	_____
Client Screening Report Reviewed (CSR)	_____	_____
Decline Letter Issued	_____	_____
Client Agreement Letter Issued (CAL)	_____	_____
Volunteer Assignment Letter Issued (VAL) with CDS, CSR, CAL, AND VRF	_____	_____
If new volunteer Volunteer Orientation Sheet (VOS)	_____	_____
Triplicate Case Cards Prepared	_____	_____
Signed Agreement Letter Returned	_____	_____
Work Plan Reviewed	_____	_____
Case-Card Progress Reports Recorded	_____	_____
Final Volunteer Reporting Form Received (VRF)	_____	_____
Final Volunteer Reporting Form Reviewed (VRF)	_____	_____
Total Volunteer Time Recorded	_____	_____
Volunteer Constructive Service Letter Prepared	_____	_____
Reviewed	_____	_____
Issued	_____	_____
Completion Letter with Client Evaluation Form Issued (CEF)	_____	_____
Volunteer Acknowledgement Letter Issued (VAL)	_____	_____
Client Evaluation Form Received (CEF)	_____	_____



QUALITY CONTROL - PUBLIC ISSUE

CASE# \_\_\_\_\_

	<u>SIGNATURE</u> *	<u>DATE</u>
Client Written Request Received	_____	_____
Screening Assigned	_____	_____
Screening Report Prepared	_____	_____
Screening Report Reviewed	_____	_____
Eligibility Verification Requested	_____	_____
Elig. Verification Letter Received	_____	_____
Request Submitted to Client Committee	_____	_____
Client Rejected	_____	_____
Client recommended to Board of Directors	_____	_____
Request submitted to Board of Directors/Executive Committee	_____	_____
Client Rejected	_____	_____
Client Accepted	_____	_____
Decline Letter Issued	_____	_____
Engagement Letter Issued	_____	_____
Triplicate Case-Cards Prepared	_____	_____
Volunteer Team Established	_____	_____
Project-Leader Volunteer Appointed	_____	_____
Board Liaison Assigned	_____	_____
Work Plan Prepared	_____	_____
Work Plan Reviewed	_____	_____
Case-Card Progress Reports Recorded	_____	_____
Report Written by	_____	_____
Workpapers & Report by	_____	_____
Workpapers & Report Cleared for Issuance by	_____	_____

	<u>SIGNATURE</u> *	<u>DATE</u>
Report Signed by	_____	_____
Report Issued	_____	_____
Total Volunteer Time Recorded	_____	_____
Completion Letter with Client Evaluation Form Issued	_____	_____
Volunteer Acknowledgement Letter Issued	_____	_____
Client Evaluation Form Received	_____	_____

\* Signature once and initials thereafter acceptable